

June 29th, 2018

**Notice Of Meeting**

You are invited to attend the Audit Committee Meeting to be held on **Thursday, 5th July 2018** at **2:00 pm** in the **Mourne Room, Downshire Civic Centre.**

**The Members of the Committee are:-**

Mr Joe Campbell (Independent Chairperson of Audit Committee)

Councillor Patrick Brown

Councillor Pete Byrne

Councillor Charlie Casey

Councillor Laura Devlin

Councillor Terry Hearty

Councillor Mark Murnin

Councillor Michael Ruane

Councillor Gareth Sharvin

Councillor Jarlath Tinnelly

Councillor Roisin Mulgrew

# Agenda

## 1.0 Apologies and Chairperson's Remarks

## 2.0 Declarations of Interest

## 3.0 To agree start time for Audit Committee Meetings 2018-19 (suggested timetable attached).

 *Dates for Audit Committee.pdf*

*Page 1*

## 4.0 Action Sheet arising from Audit Committee Meeting held on 26 April 2018. (Attached).

 *Audit-26042018.pdf*

*Page 2*

## 5.0 Chairperson's Annual Report. (Attached).

 *Item 5 - Chairperson's Annual Report.pdf*

*Page 7*

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### *Corporate Services*

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## 6.0 Presentation of Financial Statements and Governance Statement. (Report to follow).

## 7.0 Corporate Risk Register. (Report to follow).

## 8.0 Prompt Payments. (Report attached).

 *Item 8 - Prompt Payment .pdf*

*Page 15*

## 9.0 Fraud & Whistleblowing Update. (Report attached).

 *Item 9 - Fraud and Whistleblowing.pdf*

*Page 18*

## 10.0 Direct Award Contracts. (Report attached).

 *Item 10 - DAC Register.pdf*

*Page 21*

## 11.0 Update on Audit Recommendations. (Report to follow).

## 12.0 Update on Procurement. (Report attached).

 *Item 12 - Procurement update - july18.pdf*

*Page 23*

### **13.0 Training for Members. (Report attached).**

 *Item 13 - Members Training.pdf*

*Page 25*

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#### *Performance*

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### **14.0 Performance Improvement Plan 2018-19 (Report attached).**

 *Item 14 - Audit Committee Report - Performance Improvement Plan 2018-19.pdf*

*Page 26*

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#### *NIAO (OPEN SESSION)*

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### **15.0 Performance Management for Outcomes - A Good Practice Guide for Public Bodies**

 *Item 15 - Performance Management for Outcomes.pdf*

*Page 83*

### **16.0 The National Fraud Initiative: Northern Ireland. (Attached).**

 *Item 16 - The National Fraud Initiative.pdf*

*Page 139*

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#### *Internal Audit - Items to be considered with press and public excluded*

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### **17.0 Internal Audit Plan - Updated July 2018. (Attached).**

This item is deemed to be exempt under Paragraph 3 of Part 1 of Schedule 6 of the Local Government Act (NI) 2014 - information relating to the financial or business affairs of any particular person (including the Council holding that information) and the public may, by resolution, be excluded during this item of business

 *Item 17 - Internal Audit Plan (closed session).pdf*

*Not included*

### **18.0 NMDDC - Progress to Audit Committee. (Report attached).**

This item is deemed to be exempt under Paragraph 3 of Part 1 of Schedule 6 of the Local Government Act (NI) 2014 - information relating to the financial or business affairs of any particular person (including the Council holding that information) and the public may, by resolution, be excluded during this item of business

 *Item 18 - Progress to Audit Committee (closed session).pdf*

*Not included*

**AUDIT COMMITTEE**  
**(held quarterly)**

<b>Date</b>	<b>Time</b>	<b>Location</b>
Thursday 20 September 2018	2.00pm	Downpatrick
Tuesday 15 January 2019	2.00pm	Downpatrick
Thursday 28 March 2019	2.00pm	Downpatrick
Thursday 27 June 2019	2.00pm	Downpatrick

**ACTION SHEET – AUDIT COMMITTEE MEETING****OUTSTANDING ISSUES FROM 11 JANUARY 2018**

Minute Ref	Subject	Decision	Lead Officer	Actions taken/ Progress to date	Remove from Action Sheet Y/N
AC/18/2018	Internal Audit Asset Summary Report	<ul style="list-style-type: none"> <li>A status report on the Grants Database be brought back to Committee.</li> </ul>	D Carville/G Byrne	<input type="checkbox"/> ITPG approved project mandate on 22.6.18. Janine Hillen preparing business justification to proceed with procurement. Audit Committee to be kept informed of progress.	<b>N</b>

**ACTION SHEET – AUDIT COMMITTEE MEETING****FROM 26 APRIL 2018**

Minute Ref	Subject	Decision	Lead Officer	Actions taken/ Progress to date	Remove from Action Sheet Y/N
AC/25/2018	Corporate Risk	The Corporate Risk Register was	D Carville	Noted	Y

	Register	noted.			
AC/26/2018	Fraud & Whistleblowing Update	The Fraud & Whistleblowing Report was noted.	G Byrne	Noted	Y
AC/27/2018	Direct Award Contracts	The Direct Award Contract Register was noted.	D Barter	Noted	Y
AC/28/2018	Update on Audit Recommendations	It was agreed to revert to Councillor Murnin with an update on the Off-Street Parking contract and it was also agreed to note the update on audit recommendations report.	G Byrne	The Assistant Director of Building Control confirmed that the existing contract with Department for Infrastructure has been extended from 2019 to 2022.	
AC/29/2018	Update on Procurement	It was agreed to note the update on procurement.	K Montgomery	Noted	Y
AC/30/2018	Prompt Payment Statistics	It was agreed to note the prompt payment statistics	K Montgomery	Noted	Y
AC/31/2018	Managing the Risk of Bribery and Corruption	It was agreed that once approved at SPR Committee, the Conflicts of Interest Policy would be tabled at Audit Committee Meeting. It was also agreed to note the Risk of Bribery and Corruption Report.	G Byrne	Policy currently with TUS for comment before going to SP&R.	N
AC/32/2018	Year End Accounts	It was agreed to note the year	K Montgomery	Noted	Y

	Updated 2017/18	end accounts updated 2017/18			
AC/33/2018	Audit & Risk Assurance Committee Handbook Revision	It was agreed to note the Audit & Risk Assurance Committee Handbook Revision	G Byrne	Noted	Y
AC/34/2018	Circulars for Noting	It was agreed to note Circular LG01/18-Designation of Local Government Auditor and LG05/18-Accounts Direction of District Councils 2017/18	D Carville	Noted	Y
AC/35/2018	Draft Performance Improvement Objectives 2018-19	It was agreed to note the Draft Performance improvement Objectives for 2018-19.	K Bingham	Noted	Y
AC/36/2018	NIAO Improvement Audit and Assessment Report – Update on the Proposals for Improvement	The update was noted.	K Bingham	Noted	Y
AC/37/2018	Correspondence from SOLACE Re: Performance Audit and Assessment	It was agreed to note the correspondence from SOLACE re: Performance Audit and Assessment		Noted	Y
AC/38/2018	Performance Improvement	IT was agreed to note the correspondence from		Noted	Y

	Strategy 2017-18	NIAO on Performance Improvement Strategy 2017-18			
AC/39/2018	Internal Audit Summary Report	It was agreed to note the Internal Audit Summary Report		Noted	Y
AC/40/2018	Review of Planning Report	It was agreed to note the review of Planning Report		Noted	Y
AC/41/2018	Disaster Recovery and Progress on Implementing IT Strategy Report	It was agreed to note the report.		Noted	Y
AC/42/2018	Procurement Review	It was agreed to note the report.		Noted	Y
AC/43/2018	Audit Follow-up 2016/17 Report	It was agreed to note the report.		Noted	Y
AC/44/2018	Internal Audit Plan 2018-19	It was agreed to approve the Internal Audit Plan 2018-19 as presented, with the changes proposed accepted.		Noted	Y
AC/45/2018	Internal Audit Contract Extension	It was agreed to approve the final extension period in ASMs Internal Audit contract.		Agreed	Y



AC/46/2018	To agree meeting date for June/July Meeting	It was agreed to hold the next Audit Committee Meeting on Thursday 5 <sup>th</sup> July at 2pm		Completed	Y

<b>Report to:</b>	<b>Audit Committee</b>
<b>Date of Meeting:</b>	05 July 2018
<b>Subject:</b>	<b>Audit Committee Annual Report 2017-18</b>
<b>Reporting Officer (Including Job Title):</b>	Joe Campbell, Independent Chair Of Audit Committee
<b>Contact Officer (Including Job Title):</b>	Joe Campbell, Independent Chair Of Audit Committee

**Decisions required:** Members are asked to consider and approve the contents of this report prior to reporting to Council.

<b>1.0</b>	<b>Purpose and Background:</b>  The Annual Report summarises the key activities and highlighting any key issues arising throughout the year. This report will inform the Governance Statement contained within the Council's Annual Accounts.
<b>2.0</b>	<b>Key issues:</b>  The Annual Report of the Newry Mourne and Down Audit Committee for 2017-18 is attached.
<b>3.0</b>	<b>Recommendations:</b>
3.1	Members are asked to consider and approve the Annual Report of the Audit Committee 2017-18.
3.2	The approved Annual Report of the Audit Committee 2017-18 to be reported to Council.
<b>4.0</b>	<b>Resource implications</b>
4.1	None.
<b>5.0</b>	<b>Equality and good relations implications:</b>
5.1	None.
<b>6.0</b>	<b>Appendices</b>
	Appendix 1 – Audit Committee Annual Report for 2017-18

**Newry, Mourne and Down District Council**  
**Audit Committee**  
**Annual Report for 2017/2018**

## 1. Overview

This Annual provides an overview of the Audit Committee activities for the Financial Year 2017/18 and sets out how the Committee has met its key responsibilities.

The Audit Committee met on four occasions during the year; 29<sup>th</sup> June 2017, 26<sup>th</sup> September 2017, 11<sup>th</sup> January 2018 and 26<sup>th</sup> April 2018. A programme of work has been agreed by the Audit Committee and is allocated over a schedule of four meetings during the year.

The role of the Audit Committee is to support the Accounting Officer and Council by reviewing the comprehensiveness and reliability of assurances on governance, risk management, the control environment and the integrity of the financial statements.

## 2. Attendance

2.1 Members' attendance at committee meetings was as follows:

	Audit Committee	Audit Committee	Audit Committee	Audit Committee	TOTALS
	29-Jun-17	26-Sep-17	11-Jan-18	26-Apr-18	
Mr J Campbell	√	√	√	√	4 / 4
Cllr P Brown	√				1 / 4
Cllr C Casey	√			√	2 / 4
Cllr L Devlin		√	√	√	3 / 4
Cllr G Hanna	√		√	√	3 / 4
Cllr T Hearty	√		√	√	3 / 4
Cllr M Murnin	√	√	√	√	4 / 4
Cllr M Ruane	√	√	√	√	4 / 4
Cllr G Sharvin	√			√	2 / 4
Cllr J Tinnelly		√	√	√	3 / 4
Cllr J Trainor	√	√			2 / 4

2.1 Mr Joe Campbell was appointed as an Independent Member of the Audit Committee on 14<sup>th</sup> September 2015 and in accordance with the Committee's terms of reference took up the role of Chairperson.

2.2 The Audit Committee meetings also requires the attendance of the Chief Executive, the Director of Corporate Services and the Internal Auditors. The Audit Services Manager, Assistant Director of Finance and NIAO representatives also usually attend and the Senior Management Team and other Senior Officers attend by invitation.

### 3. Performance Evaluation

3.1 In accordance with best practice, the Audit Committee self-assessed its performance against the National Audit Office Checklist for Audit Committees during the year and the results were presented to the meeting on 11<sup>th</sup> January 2018 and the Committee agreed the following actions:

- Political Parties to again give consideration to appointing Elected Members for a term greater than one year where possible to build up knowledge and skills, (term appointment referred to in Principle 2, Question 9).
- After AGM, to arrange an In House Training Course covering the main functions of an Audit Committee.
- Officers to continue to strive to ensure that all papers are provided on a timely basis to Democratic Services so that papers are issued in compliance with standing orders so that Members have sufficient time to review.

Members can take reassurance from the number of good practice questions that have been answered 'yes' demonstrating that the Audit Committee is following best practice and operating effectively.

An appraisal of the Chairperson performance was also completed by the Chief Executive and Councillor Casey and was deemed satisfactory.

3.2 The Director of Corporate Services reported to the Audit Committee on 26<sup>th</sup> September 2017 that all actions arising from the 2016/17 Self-Assessment were completed.

### 4. Terms of Reference

A review of the Audit Committee's Terms of Reference was undertaken and approved by Council on 7<sup>th</sup> November 2016 as part of the review of the terms of references of all Committees of Council.

The Audit Committee noted the approved Terms of Reference at its meeting on 8<sup>th</sup> December 2016. As Chairperson, I confirmed as part of self-assessment exercise (section 3 above) that I was satisfied the Terms of Reference covers the scope of the work of the Audit Committee and encompasses all the assurance needs required.

## 5. 2016/17 Financial Statements and External Audit

The Council's Audited Financial Statements for 2016/17 including the Annual Governance Statement were reviewed by the Audit Committee on 26<sup>th</sup> September 2017. The Committee also reviewed the draft report to those charged with governance.

The Audit Committee was pleased to note that the Northern Ireland Audit Office (NIAO) had certified the financial Statements with an unqualified audit opinion and the Committee was able to recommend approval to Council so that the Accounts could be signed within the statutory deadline of 30<sup>th</sup> September 2017.

The Audit Committee noted the contents of final report to those charged with governance with management responses and the Annual Audit Letter at its meeting on 11<sup>th</sup> January 2018.

## 6. Risk Management

The Committee welcomed the continued good progress made by Officers during the year on Risk Management and the structure put in place to ensure ownership and management of risk at all levels of the organisation.

The Council has a Corporate Risk Register which identifies the key corporate level risks faced, and to be managed. Each corporate risk is linked to specific priorities set out by the Council in its Corporate Plan. The Corporate Risk Register and mitigating actions are scrutinised at each Audit Committee meeting. Risk management is also reviewed quarterly by SMT.

There were 11 corporate risks on the Corporate Risk Register at March 2018 and the corporate risks with the highest residual scores (4 \* 4 = 16) were as follows:

- CR. 02 - Failure to deliver the capital investment programme for the District
- CR. 03 – Breach of legislation in relation to procurement
- CR. 08 - IT Services do not support the Statutory, Strategic or Operational requirements of Council
- CR. 09 – Failure to develop a transformational programme of organisational change
- CR. 11 – Failure to implement an economic development programme to regenerate the district and attract inward investment due to financial uncertainties caused by the current economic and political climate

## 7. Internal Audit

7.1 ASM Limited were appointed on 1<sup>st</sup> April 2015 as Internal Auditors for a period of 3 years. The Audit Committee on 8<sup>th</sup> December 2016 agreed to extend the contract with ASM Limited for the provision of the Council's internal audit services, for a further one year period via Direct Award Contract, subject to a satisfactory completion review at the end of each year. This extension will allow for the completion of a 4 Year Internal Audit Cycle.

7.2 The Internal Audit Plan for 2017/18 was delivered in full. 9 Internal Audit Reports were reported to the Audit Committee during the year, 6 of which received a satisfactory assurance rating. Three services, Strategic Programme Unit – Governance of Grants, Planning Function and Disaster Recovery and Progress on implementing the Council's IT Strategy received a limited assurance rating.

7.3 The Internal Auditors also reported to the meeting on 11<sup>th</sup> January 2018 a lessons learned paper in respect of the work completed on the Council's procurement and erection of the Big Screen in Newry and highlighted the need to progress with those issues identified as key lessons to be learned.

### 7.4 Internal Audit Annual Assurance Opinion

The Committee reviewed the Annual Internal Audit Assurance Report for 2017/18 at its meeting on 26<sup>th</sup> April 2018 and noted the Auditor's overall opinion that the Council's systems in relation to internal control, risk management and governance were in general adequate and operated effectively and they were able to provide satisfactory assurance in relation to the effective and efficient achievement of the Council's objectives.

The Audit Committee welcomed the overall opinion of Satisfactory Assurance and commended Officers for their good work. The Committee also requested regular progress updates on the actions taken to address the significant issues referred to in Annual Internal Audit Annual Assurance Report.

### 7.5 Follow up Review of Internal Audit Recommendations

The Committee also reviewed on 26<sup>th</sup> April 2018 a follow up report from Internal Audit on the Implementation of Prior Year Internal Audit Recommendations for 2016/17. At March 2018, 26 (41%) out of the outstanding 63 recommendations examined were fully implemented, a further 22 (35%) were partially implemented, 11 (18%) were not yet implemented, and 4 (6%) superseded.

The Audit Services Manager also reported progress on the implementation of the 2015/16 Internal Audit Recommendations to each meeting and at March 2018, 31 (74%) out of the outstanding 42 recommendations examined were fully implemented, a further 5 (12%) were partially implemented, 0 (0%) were not yet implemented, 5 (12%) no longer applicable and 1 (2%) not yet due for implementation.

The Committee emphasised the importance of Officers continuing to give their full co-operation to Internal Audit work and to ensure recommendations to strengthen internal controls were implemented in a timely fashion.

#### 7.6 Approval of Internal Audit Plan 2018/19

The Audit Committee reviewed and approved the internal audit plan for 2018/19 at its meeting on 26<sup>th</sup> April 2018,

### 8. External Audit Strategy

The NIAO presented their Annual Audit Strategy for the Year Ending 31 March 2018 to the Audit Committee on 11<sup>th</sup> January 2018. The Audit Certification deadline for certifying local government bodies' Accounts is 30 September 2018 and to ensure compliance a meeting of the Audit Committee has been scheduled to take place on 20<sup>th</sup> September 2018 to review the audited accounts and recommend approval to Council so the Accounts can be signed by the statutory deadline.

### 9. Performance Improvement Arrangements

The Audit Committee were presented with the Audit and Assessment Report 2017/18 by NIAO at its meeting on 11<sup>th</sup> January 2018 which audited the Council's assessment of its performance for 2016/17 and its 2017/18 improvement plan.

The Committee welcomed that the Councils Performance Improvement Arrangements had been certified with a standard unqualified opinion by the NIAO Audit having discharged its performance and reporting duties under Part 12 of the Act and acted in accordance with the Guidance issued by the Department for Communities.

Under Section 2 of the Report – Governance Arrangements stated that “the Audit Committee has responsibility to ensure that the arrangements for good governance are in place and operating effectively. The extent of oversight and monitoring of Council's performance by the Audit Committee during the year could be developed further.” The Audit Committee will reflect how best to do this during 2018/19.

### 10. Acknowledgments

I wish to thank the Members for their support and contribution throughout the year. On behalf of the Audit Committee I wish also thank officers, the Internal and External Auditors for their openness and engagement with the Committee, thereby allowing it to meet its responsibilities.

**Joe Campbell**  
**Independent Chairperson**  
**28 June 2018**





<b>Report to:</b>	Audit Committee
<b>Date of Meeting:</b>	5 July 2018
<b>Subject:</b>	<b>Prompt Payment Statistics</b>
<b>Reporting Officer (Including Job Title):</b>	Ken Montgomery, Assistant Director of Finance
<b>Contact Officer (Including Job Title):</b>	Ken Montgomery, Assistant Director of Finance

<b>Decisions required:</b>																										
Members are asked to note the report comparing NMDDC prompt payment performance with the legacy Councils.																										
<b>1.0</b>	<b>Purpose and Background:</b>																									
1.1	<p>'Prompt payment' is the payment of valid supplier invoices within 10 working days by public bodies, as set in government targets.</p> <p>This dataset contains:</p> <ul style="list-style-type: none"> <li>• total amount paid by each Northern Ireland council to suppliers</li> <li>• total number of invoices</li> <li>• number of invoices paid within 10 working days</li> <li>• number of invoices paid within 30 calendar days</li> <li>• number of invoices paid outside 30 calendar days</li> </ul> <p>The Stormont Executive's Prompt Payment Policy recommends that government departments should, "aim to pay 90% of valid invoices within 10 working days", with councils encouraged to match that.</p> <p>Adherence to the policy is not mandatory for councils, but in a letter issued to council chief executives in October 2013, the Department of Environment's Local Government Policy Division said that: "District councils are encouraged to pay suppliers as promptly as possible and to endeavour to meet the 10 day prompt payment commitment made by Northern Ireland Executive in response to the current economic position".</p>																									
<b>2.0</b>	<b>Key issues:</b>																									
2.1	<p>Due to the timing of the Audit Committee the statistics for the period 1 April 2018 to the 30 June 2018 are not yet available. The statistics provided to the April 2018 committee are highlighted below</p> <p><b>1 January 2018 to 31 March 2018</b></p> <table border="1"> <thead> <tr> <th></th> <th>Paid within 10 Days</th> <th>Paid within 30 Days</th> <th>Paid outside payment period</th> <th>Total Invoices</th> </tr> </thead> <tbody> <tr> <td>Number of Invoices</td> <td>563</td> <td>4912</td> <td>657</td> <td>5569</td> </tr> <tr> <td>Value</td> <td>10%</td> <td>88%</td> <td>12%</td> <td>100%</td> </tr> <tr> <td>Percentage</td> <td>£1,547,035</td> <td>£8,535,075</td> <td>£5,226,650</td> <td>£13,761,725</td> </tr> <tr> <td colspan="5">Average number of days to pay suppliers – 22</td> </tr> </tbody> </table>		Paid within 10 Days	Paid within 30 Days	Paid outside payment period	Total Invoices	Number of Invoices	563	4912	657	5569	Value	10%	88%	12%	100%	Percentage	£1,547,035	£8,535,075	£5,226,650	£13,761,725	Average number of days to pay suppliers – 22				
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Average number of days to pay suppliers – 22																										

	<p>I would like to draw your attention to NMDDC Councils prompt payment performance against the Legacy Newry &amp; Mourne and legacy Down Council. See Chart at Appendix 1.</p> <p>The chart clearly demonstrates that the timeliness in paying invoices has improved since the formation of the new Council on the 1 April 2015. We would hope that with the introduction of the revised account payable procedures and with the procurement training being rolled to relevant staff members that the statistics will keep improving.</p>
<b>3.0</b>	<b>Recommendations:</b>
3.1	For noting by the Audit Committee
<b>4.0</b>	<b>Resource implications</b>
4.1	None
<b>5.0</b>	<b>Equality and good relations implications:</b>
5.1	None
<b>6.0</b>	<b>Appendices</b>
	Appendix 1 – Comparison of Prompt Payment Statistics

**Comparison of Prompt Payment Statistics**

Following the last Audit Committee on the 26 April 2018, Officers agreed that they would provide statistics on the prompt payment targets of the New Council against the Legacy Newry and Down Councils. The graph outlines the percentage of invoices paid by each respective council within the 30 day period for each quarter, from the last quarter in 2013/14 to the final quarter in 2017/18.



From the graph it is visible that the new council's procedures have been improving gradually and the timeliness for paying invoices is much improved from both legacy Councils. With a new Accounts Payable procedure in place complemented by procurement training being delivered presently, we expect that our statistics will keep improving.

<b>Report to:</b>	Audit Committee
<b>Date of Meeting:</b>	5 July 2018
<b>Subject:</b>	<b>Fraud and Whistleblowing</b>
<b>Reporting Officer (Including Job Title):</b>	Dorinnia Carville, Director of Corporate Services
<b>Contact Officer (Including Job Title):</b>	Gerard Byrne, Audit Services Manager

<b>Decisions required: For Noting</b>	
<b>1.0</b>	<b>Purpose and Background:</b>
1.1	<ul style="list-style-type: none"> <li>To Notify the Audit Committee of any suspected Fraud and Whistleblowing cases since the last meeting until the 29 June 2018.</li> <li>To Notify the Audit Committee of any developments from previous Fraud and Whistleblowing Cases since the last meeting until 29 June 2018.</li> </ul>
<b>2.0</b>	<b>Key issues:</b>
2.1	<ul style="list-style-type: none"> <li>No new suspected fraud cases since the last Committee.</li> <li>One new whistleblowing case since the last Audit Committee. See Appendix for more details.</li> <li>The 2016/17 NFI report has now been published (item 16 – NIAO to provide a brief overview).</li> <li>The 2017/18 NFI exercise will be commencing in the coming weeks, with the data upload to be completed in October 2018. Awaiting further information from the NIAO in relation to detailed timeframe.</li> </ul>
<b>3.0</b>	<b>Recommendations:</b>
3.1	Fraud and Whistleblowing cases for consideration by the Audit Committee on a quarterly basis.
<b>4.0</b>	<b>Resource implications</b>
4.1	None
<b>5.0</b>	<b>Equality and good relations implications:</b>
5.1	None
<b>6.0</b>	<b>Appendices</b>
	Appendix I: Summary fraud and whistleblowing register

### Summary Fraud Register – 2018/19 Financial Year

<i>Reference no.</i>	<i>Directorate</i>	<i>Sender / Notifier</i>	<i>Brief Summary</i>	<i>Latest update</i>	<i>Date Audit Services Manager was Informed</i>	<i>Date Audit Committee was informed</i>
<b>F003</b>	SPP	Staff Member from Corporate Services	Allegation that a Council Officer was falsifying documentation and not complying with the Councils Retention and Disposal Policy of information.	Internal Audit brought a procurement lessons learned report to the January 2018 Audit Committee. Case ongoing.	22 February 2017	27 April 2017

## Summary Whistleblowing Register – 2018/19 Financial Year

<i>Reference no.</i>	<i>Directorate</i>	<i>Sender / Notifier</i>	<i>Brief Summary</i>	<i>Latest update</i>	<i>Date Audit Services Manager was Informed</i>	<i>Date Audit Committee was informed</i>
WB 11	Legacy Council	Internal	Suspected irregularities around procurement procedures in Legacy Newry and Mourne.	Evidence gathered indicating significant flaws in the procurement exercise by the legacy Newry Council. Procedural failings discussed with staff members involved and good practice reinforced as part of procurement training. Fraud investigation inconclusive as limited engagement from third party supplier. Case closed.	14/08/2017	26/09/2017
WB 12	AHC	Internal	Allegation of a number of Health and Safety concerns in Newry Leisure Centre.	A fully independent investigation has been completed by a company who specialise in leisure centre H&S. Final report issued on the 29 November 2017 with associated recommendations. The Head of Indoor Leisure now has a working action plan to alleviate any concerns raised. Case Closed.	21/09/2017	11/01/2017
WB 14	RTS	Anonymous letter to CE	The allegation was that a member of Council staff who was absent due to sick leave was working in another organisation.	Investigation carried out in conjunction with HR. Third party organisation contacted. Prior to scheduling an interview with the accused Council Officer, the Council Officer tendered their resignation. Case Closed.	19/04/2018	26/04/2018
WB 15	RTS	Anonymous letter to CE	A council officer was coerced into accepting the blame for a vehicle collision for financial and repair gain.	Contacted insurance department for information. Accident occurred in legacy Newry Council in 2013. Case ongoing.	18/01/2018	26/04/2018
WB 16	ERT	Anonymous letter to Councillors	Allegation that the members of the planning department acted favourably to an applicant	Initial investigation underway.	20/06/2018	05/08/2018

<b>Report to:</b>	Audit Committee
<b>Date of Meeting:</b>	5 July 2018
<b>Subject:</b>	<b>Direct Award Contract (DAC) Register</b>
<b>Reporting Officer (Including Job Title):</b>	Ken Montgomery, Assistant Director of Finance
<b>Contact Officer (Including Job Title):</b>	David Barter, Procurement Manager

<b>Decisions required:</b>	
For Consideration and noting	
<b>1.0</b>	<b>Purpose and Background:</b>
1.1	Direct Award Contracts (DAC's) or Single Tender Actions (STA's) occur when any partly or fully funded contract over £5k is awarded to a contractor/supplier without a competition, or where there is a material change to an existing contract.  It is considered best practice to bring Direct Award Contracts to the attention of the Audit Committee.
<b>2.0</b>	<b>Key issues:</b>
2.1	In the first quarter of the 2018-19 financial year, the Council awarded 10 contracts by way of Direct Award (with a value greater than £5k). The total value of these contracts was £166,029.
<b>3.0</b>	<b>Recommendations:</b>
3.1	For noting by the Audit Committee.
<b>4.0</b>	<b>Resource implications</b>
4.1	None
<b>5.0</b>	<b>Equality and good relations implications:</b>
5.1	None
<b>6.0</b>	<b>Appendices</b>
	Appendix 1: DAC/STA Report – 1st <sup>h</sup> Quarter 2018/19



## STA Report from 1 Apr 2018 - 31 March 2019

Product	STA Total Price	Reasoning Provided	Company	Requisitioner	PO Number	Date of PO	Authoriser
Fibre optic cabling infrastructure for CCTV	£46,243.33	Single supplier in NI - approved at Council and SP&R.	BT PLC	Johnny McBride	127394	18 April 2018	Liam Hannaway
Pulse Agreement 3- Year for Killyleagh	£7,538.16	Pulse provide the gym equipment and therefore are the sole supplier for maintenance for the H&S of members	Pulse Fitness	Joe Deegan	127401	18 April 2018	Michael Lipsett
Newcastle Harbour Moorings And Ladder replacements	£8,000.00	The mooring and ladders were a H&S to incoming boats and therefore need fixed urgently.	James Morrow	Aidan Mallon	128693	10 May 2018	Roland Moore
Collection and Processing of Sweeper Waste in April 18	£8,000.00	Process was undertaken on a trail basis. Saving £60 per tonne. Due to success, service will move to tender process.	RECON Waste	Liam Dinsmore	128552	11 May 2018	Roland Moore
Purchase of Ex-hire Xmas illuminations (Blachere)	£32,667.00	The offer was to purchase ex hire goods which is not achievable through competition. Approved at RTS and Council in May 2018. went out to competitive tender twice. No returns so a sole supplier was selected.	Blachere	Kevin Scullion	129636	04 June 2018	Roland Moore
Replacement Juncker Flooring Cullyhanna	£11,460.00	single source supplier of current designed system integrated with other internal programmes/systems.	Acorn Flooring	Michelle McKeown	129635	04 June 2018	Michael Lipsett
e-Procurement Licence Renewal	£28,376.25	quotations were sent out. Only one company responded. This is the essential service of first aid cover at Councils Tourism events in 2018-19 and there is a limited market for ambulance cover.	First Derivatives	David Barter/Gavin Ringland	129978	11 June 2018	Dorinnia Carville
First Aid for Events	£9,530.00	Single Supplier, PPL PRS are the governing body that provide music licences.	St Johns Ambulance	Gillian Armstrong	130387	19 June 2018	Andy Patterson
Music Licence for Council Premises	£8,454.35		PPL PRS	Michelle McKeown	130105	12 June 2018	Michael Lipsett
Turnstile Remedial Works at Newry Leisure Centre	£5,760.00	Emergency works to turn styles which lead to financial and H&S risks through inadequate means of controlling access to the building.	Felix O'Hare & Co. Ltd	Kieran Gordon	130542	21 June 2018	Michael Lipsett
	£166,029.09						

<b>Report to:</b>	Audit Committee
<b>Date of Meeting:</b>	5 July 2018
<b>Subject:</b>	<b>Update on Procurement</b>
<b>Reporting Officer (Including Job Title):</b>	Ken Montgomery, Assistant Director of Finance
<b>Contact Officer (Including Job Title):</b>	Ken Montgomery, Assistant Director of Finance

<b>Decisions required:</b>	
Members are asked to note the report.	
<b>1.0</b>	<b>Purpose and Background:</b>
1.1	<p>At the Audit Committee meeting of 29 June April 2017 it was agreed that procurement would be standing agenda item.</p> <p>This 2015-16 follow up Internal Audit review completed by ASM did not consider the Council's progress in implementing the recommendations made in their 2015/16 report on Purchasing, Procurement and Contract Management due to the limited progress in implementing the recommendations.</p>
<b>2.0</b>	<b>Key issues:</b>
2.1	<p>Work has been on-going over the last number of months to help strengthen the Councils controls in relation to procurement, and to put forward an action plan to implement ASM's recommendations.</p> <p>The NMDDC Procurement Policy and Procedures was approved by the SP&amp;R committee on the 14 December 2017 and subsequently ratified by Council on the 8 January 2018.</p> <p>ASM completed stage one of their procurement internal audit that focused on the robustness of the new Procurement Policy and the adequacy of the supporting documentation needed to effectively procure goods and services at the Council in April 2018. The revised policy and suite of documents received a satisfactory assurance. There were a few comments / observations on the policy and supporting procedures. All recommendations have now been actioned and the policy has been updated to reflect ASMs observations. The most significant change was the inclusion of a detailed annex on contract management.</p> <p>Training has now been delivered by procurement expert, Florence Gregg. The training covered drafting business cases, drafting tender documents, tender evaluation and training on the Councils e-hub system. The 7 sessions delivered were oversubscribed with officers, so further training will be delivered in July and August 2018. In total 130 have attended the scheduled sessions to date.</p> <p>ASM will be commencing Stage 2 of the procurement Internal Audit in September 2018. This review will focus on the Council's compliance with the Procurement Policy and will review both high and low value contract awards.</p>

<b>3.0</b>	<b>Recommendations:</b>
3.1	Audit Committee members to note progress being made from last committee.
<b>4.0</b>	<b>Resource implications</b>
4.1	A number of the actions contain significant resource implications in officer time.
<b>5.0</b>	<b>Equality and good relations implications:</b>
5.1	None
<b>6.0</b>	<b>Appendices</b>
	None

<b>Report to:</b>	Audit Committee
<b>Date of Meeting:</b>	5 July 2018
<b>Subject:</b>	<b>Training for Members</b>
<b>Reporting Officer (Including Job Title):</b>	Dorinnia Carville, Director of Corporate Services
<b>Contact Officer (Including Job Title):</b>	Dorinnia Carville, Director of Corporate Services

<b>Decisions required:</b>	
Members to agree an approximate date for training	
<b>1.0</b>	<b>Purpose and Background:</b>
1.1	The Audit Committee Chair had previously suggested that it may be helpful if members were to receive some training on the role of the Audit Committee and their responsibility as a member.
<b>2.0</b>	<b>Key issues:</b>
2.1	<p>It is proposed that this training can be delivered in house with the assistance of the NIAO, ASM and CIPFA.</p> <p>The proposed format of the course would be:</p> <ol style="list-style-type: none"> <li>1. Introduction into corporate governance and the role of the Audit Committee – NIAO to present.</li> <li>2. Introduction into corporate risk and best practice in risk management, highlighting the Councils Risk Management Policy - ASM and Audit Services Manager to present.</li> <li>3. Scrutiny of Councils annual report and accounts – CIPFA to present.</li> <li>4. An overview of how the Council deal with any allegations of Fraud and Whistleblowing – Director of Corporate Services and Audit Services Manager to present.</li> </ol>
<b>3.0</b>	<b>Recommendations:</b>
3.1	Audit Committee members to agree training schedule and an approximate date.
<b>4.0</b>	<b>Resource implications</b>
4.1	Members and officer time, possibly some fees for presenting from outside partners.
<b>5.0</b>	<b>Equality and good relations implications:</b>
5.1	None
<b>6.0</b>	<b>Appendices</b>
	None

<b>Report to:</b>	Audit Committee
<b>Date of Meeting:</b>	5 July 2018
<b>Subject:</b>	Performance Improvement Plan 2018-19
<b>Reporting Officer:</b>	Johnny McBride - Assistant Director: Community Planning and Performance
<b>Contact Officer:</b>	Kate Bingham – Head of Performance and Improvement

### Decisions Required:

Members are asked to note the content of the report:

- The Performance Improvement Plan 2018-19, including the five performance improvement objectives and summary document entitled 'Our Performance, Looking Back, Going Forward'

### 1.0 Purpose & Background

1.1 Part 12 of the Local Government (NI) Act 2014 sets out a General Duty of Improvement for local government, whereby all District Councils are required to put in place arrangements to secure continuous improvement in the exercise of their functions. Each financial year, Councils are required to set performance improvement objectives for the services they provide. The guidance states that performance improvement is more than quantifiable gains in service output or efficiency, or in the internal effectiveness of an organisation. Improvement should focus on activity that enhances the sustainable quality of life and environment for communities.

The purpose of this report is recommend the final version of the Performance Improvement Plan 2018-19, which has been completed based on the feedback from the public consultation and engagement process.

### 2.0 Key Issues

#### 2.1 Stakeholder Consultation and Engagement Process

2.2 Between 23 March – 18 May 2018, Newry, Mourne and Down District Council carried out an eight week consultation and engagement programme on the proposed performance improvement objectives. Key stakeholders, including residents, statutory and community planning partners, businesses and Elected Members were consulted through the following mechanisms:

- Electronic documentation and survey on the Council's website and social media channels
- Hard copies of the documentation and survey at the Council's public receptions in Monaghan Row (Newry), Downshire Civic Centre (Downpatrick) and the

	<p>Ethnic Minority Support Centre (Town Hall, Newry)</p> <ul style="list-style-type: none"> <li>• Email distribution to Community Planning Partners and Equality Scheme Consultees</li> <li>• Public Notices in local newspapers</li> <li>• Engagement with the seven DEA Fora through public events and private meetings</li> <li>• Engagement with Section 75 groups, including the Youth Councils and Older Person's Forum</li> </ul>
2.3	<p>A total of 92 completed surveys were received, in addition to ongoing engagement with around 80 stakeholders through Council meetings, DEA Fora and Older Person's Forum. Consultation feedback revealed widespread support for the five proposed performance improvement objectives 2018-19, with almost all respondents agreeing with each objective.</p> <p>As part of the consultation and engagement, respondents were also asked to put forward their comments on each of the proposed performance improvement objectives 2018-19. Following an analysis of the feedback, many of the issues put forward by consultees relate to, and will be addressed through the 'supporting actions' and 'measures of success' which underpin each objective.</p> <p>However, based on the consultation and engagement feedback, as well as ongoing work in finalising the performance improvement objectives, some amendments have been recommended to the 'supporting actions' and 'measures of success', as outlined in the Consultation and Engagement Report attached at <b>Appendix 3</b>.</p>
<b>2.4</b>	<b>Performance Improvement Plan 2018-19</b>
2.5	<p>In accordance with statutory requirements, the Council is required to publish its performance improvement objectives 2018-19 and statutory performance indicators for Economic Development, Planning and Waste Management by 29 June 2018. This information is included in the final version of the Performance Improvement Plan 2018-19 which is attached at <b>Appendix 1</b>.</p>
2.6	<p>The Council has also developed a summary document entitled 'Our Performance, Looking Back, Going Forward', which is attached at <b>Appendix 2</b>. This is a user friendly and accessible document which will be promoted through the Council's website and social media channels. It provides an overview of:</p> <ul style="list-style-type: none"> <li>• Progress in delivering the performance improvement objectives 2017-18</li> <li>• The performance improvement objectives 2018-19, including some of the key 'supporting actions'</li> </ul>
<b>3.0</b>	<b>Recommendations</b>
3.1	<p>To note:</p> <ul style="list-style-type: none"> <li>• The Performance Improvement Plan 2018-19, including the five performance improvement objectives and summary document entitled 'Our Performance, Looking Back, Going Forward'</li> </ul>

<b>4.0</b>	<b>Resource Implications</b>
4.1	<p>The development, publication and implementation of the Performance Improvement Plan 2018-19 will be delivered within existing resources across the organisation.</p> <p>The Northern Ireland Audit Office has indicated that the Performance Audit and Assessment arrangements for 2018-19 will incur an approximate fee of £22,000.</p>
<b>5.0</b>	<b>Equality &amp; Good Relations Implications</b>
5.1	An equality screening exercise was completed for the Performance Improvement Plan 2018-19 and it is recommended that it is not subject to an equality impact assessment (with no mitigating measures required).
<b>6.0</b>	<b>Appendices</b>
6.1	<ul style="list-style-type: none"> <li>• <b>Appendix 1</b> – Performance Improvement Plan 2018-19</li> <li>• <b>Appendix 2</b> – ‘Our Performance, Looking Back, Going Forward’</li> <li>• <b>Appendix 3</b> – Consultation and Engagement Report 2018-19</li> </ul>

# Newry, Mourne and Down District Council

## Performance Improvement Plan

2018-19



Comhairle Ceantair  
an Iúir, Mhúrn  
agus an Dúin  
**Newry, Mourne  
and Down**  
District Council



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## Foreword

When we look back on what the Council has delivered in the past year, we can be proud of our achievements. We have continued to deliver our performance improvement objectives, and have seen positive change across a number of key areas including health and well-being, tourism, economic development, regeneration, environment and community engagement.

One of our flagship achievements last year was the opening of the new Newry Leisure Centre, a £22m centre that is already transforming the way we provide sporting, wellbeing and exercise opportunities to our citizens. The introduction of the 'Be Active' campaign will go a long way to fulfilling our goal of promoting a prosperous, healthy and sustainable District.

We have also worked closely with our partners in government, the EU and across the island of Ireland to improve transport links and the way our towns and cities look. We have ambitious plans for Ballynahinch, Downpatrick, Newry, Warrenpoint and Kilkeel which will help us fulfil our potential as a premier district for both business and residents alike.

We have continued to deliver essential services to all the district's citizens and have made strenuous efforts to improve the performance of everything we do. The amount of waste going to landfill has reduced whilst the rate of recycling across the district continues to increase. Our five Giant Adventure Festivals remain hugely successful and we awarded over £1.3m towards a range of community based initiatives, including summer schemes, Christmas illuminations and capital projects.

However, we know we can do more. With a strong track record for innovation and partnership working, we are confident that the Council will continue to deliver positive outcomes and improve the quality of life for all our local communities through this year's performance improvement objectives.



**Cllr Mark Murnin**  
Chairperson



**Liam Hannaway**  
Chief Executive

## Introduction and Context

Part 12 of the Local Government Act (NI) 2014 sets out a General Duty of Improvement for local government, whereby all district councils must put in place arrangements to secure continuous improvement in the exercise of their functions. The Council is required to set annual improvement objectives for the services it provides and to also have in place arrangements to achieve these objectives. The Council recognises 'improvement' to mean activity that enhances the sustainable quality of life for ratepayers and local communities.

The performance improvement objectives do not describe every improvement the Council plans to make during 2018-19. Alternatively, they provide an overview of where the Council will focus its efforts to address the issues which matter most to local communities. The Performance Improvement Plan outlines the Council's priorities for improvement, how performance will be measured and what positive outcomes stakeholders can expect as a result of improvement activity. It represents the Council's commitment to achieving continuous improvement in the delivery of services.

### Performance Improvement Objectives 2018-19

Newry, Mourne and Down District Council has identified five performance improvement objectives for 2018-19.

- 1. Encourage healthy lifestyles through increased participation in leisure, sport and recreational activities**
- 2. Improve economic growth by creating new business starts, supporting the growth of existing businesses and promoting Newry, Mourne and Down as a premier tourist destination**
- 3. Deliver urban and rural regeneration initiatives that will create a District where people want to live, work and invest in**
- 4. Create a cleaner, greener, more attractive District**
- 5. Encourage and empower local communities to participate in Council engagement structures and initiatives**

These objectives have been carried forward from 2017-18 and developed within the context of the Business Planning and Performance Management Framework. They are:

Linked to the Community Plan, Corporate Plan and Directorate Business Plans	✓
Based on existing performance information	✓
Aligned to the seven strategic aspects of improvement	✓
Based on stakeholder consultation and engagement	✓

## Performance Improvement Objective 1

### Encourage healthy lifestyles through increased participation in leisure, sport and recreational activities

#### Senior Responsible Officer: Director, Active and Healthy Communities

##### Why this matters

Good health is one of the most valued aspects of our lives. It influences many dimensions of well-being, such as employment, income, social connections, participation in community life and educational attainment. Newry, Mourne and Down District Council plays a key role in helping local communities to live long and healthy lives. The Council remains committed to collaborating with community planning partners to promote physical, mental and emotional well-being and encouraging residents to make healthy and informed lifestyle choices.

The demographic profile of our community not only has an impact on the services the Council provides, but on the way these services will be delivered in the future. With the population of the District projected to grow by 4% by 2022, including a 17% increase in residents aged 65 years and above, the overall health and wellbeing needs of local communities are set to change and evolve. Whilst the majority of residents are currently in good health, with no long term health problems, over a third of those aged 65 years and above have a long term health problem or disability which limits their day to day activities.

As life expectancy rises, health inequalities remain a key issue within our most deprived communities. Newry, Mourne and Down currently has the third highest number of neighbourhoods within the top 100 most deprived across Northern Ireland, and these neighbourhoods are more likely to experience health inequalities in terms of obesity rates, drug and alcohol related conditions and self harm.

##### Your views

Our performance improvement objectives are based on the issues that matter most to you. Over the past two years, almost all respondents to the consultations on the performance improvement objectives agreed with the inclusion of this objective, and 'parks and open spaces' and 'leisure and recreation' are amongst the top priority areas for improvement. The consultation also reinforced the public appetite for a park in Newry City, and the Council has made a commitment to explore potential options further.

##### Our performance during 2017-18

- New premier Newry Leisure Centre complete and 'Be Active' campaign launched
- Online booking and joining facility for leisure centres launched
- Customer satisfaction surveys carried out at six leisure facilities
- Implementation of the Play Strategy and Sports Facility Strategy underway
- 1,175 children and young people took part in the Community Play initiatives

However, we know we can do more. This performance improvement objective has therefore been carried forward to 2018-19 and the 'supporting actions' and 'measures of success' have been reviewed and updated to reflect where progress has been made, where projects have been subject to delay and the key improvement activities planned for the coming year.

### Supporting actions

- Provide and operate high quality leisure facilities through the implementation of the Indoor Leisure Business Plan:
  - Complete the refurbishment of Downpatrick Leisure Centre by Q3 2018-19
  - Improve the customer experience at all leisure facilities by rolling out the 'Be Active' campaign and mobile technology solutions
- Undertake a review of outdoor leisure facilities to determine the condition, current usage type and number of users at each location
- Upgrade and improve existing sports facilities through the implementation of year two of the Sports Facility Strategy
- Provide and improve fixed and non-fixed play opportunities for children and young people through the continued implementation of the Play Strategy
- Engage children and young people in Community Play and other health and wellbeing initiatives across the District
- Provide opportunities for women, girls, people with a disability and people from areas of high social need to participate in physical activity programmes
- Consider options to progress the development of a park at the Albert Basin, Newry
- Through the Play and Leisure Partnership, produce a multi-stakeholder Activity, Promotion and Development Plan, which maps out the provision of physical activity across the District, suitable for all ages and abilities

### Measures of Success

- 2.6% increase in attendances at indoor leisure facilities, reaching a 14% increase by 2019-20
- 9% increase in attendances at Downpatrick Leisure Centre, reaching a 72% increase by 2019-20 (when the new leisure centre completes)
- Level of user satisfaction with indoor leisure facilities
- Number of children and young people engaged in Community Play and other health and wellbeing initiatives
- Number of participants from targeted groups involved in physical activity programmes

### Outcomes for local communities and stakeholders

- Improved and accessible provision of indoor and outdoor sport, leisure and recreational facilities and activities
- Increase in the number of residents making healthy lifestyle choices by using sport, leisure and recreational facilities
- Improved customer satisfaction with indoor leisure facilities
- Improved levels of health and wellbeing for local communities

### Corporate Plan

Support improved health and wellbeing outcomes

<b>Priority</b>	
<b>Community Plan Outcome</b>	All people in Newry, Mourne and Down enjoy good health and wellbeing
<b>Outcomes Delivery Plan 2018-19 (NICS)</b>	We enjoy long, healthy, active lives
<b>Alignment with the 7 aspects of improvement</b>	Strategic effectiveness / Service quality / Service availability / Fairness / Sustainability / Efficiency / Innovation

## Performance Improvement Objective 2

**Improve economic growth by creating new business starts, supporting the growth of existing businesses and promoting Newry, Mourne and Down as a premier tourist destination**

**Senior Responsible Officer: Director, Enterprise, Regeneration and Tourism**

### **Why this matters**

A thriving economy is central to the quality of life in Newry, Mourne and Down. Located on the economic corridor between Belfast and Dublin, our District has a real opportunity to compete, by driving growth in the existing business base, increasing productivity and attracting new businesses. We will continue to work with partners to create a climate for innovation and competitiveness and progress the Belfast Region City Deal which is focused on extending domestic and international investment across our District.

The challenges and opportunities presented through Brexit will have an impact on the communities we serve, and the Council has taken a proactive role in lobbying and advocating for the needs of the region, as well as the future nature of the Irish border. Deprivation also remains a growing issue across the District. Three neighbourhoods are now ranked as the most deprived in terms of income across Northern Ireland and a further 34 fall within the 25% most deprived in terms of 'employment and education' and 'skills and training'. Whilst the median gross annual salary of £19,928 falls below the regional average of £21,245, 76% of residents are economically active, which is above the regional average of 74%.

Worth £61m to the local economy, tourism is also a critical driver for economic growth in Newry, Mourne and Down, supporting almost 5,000 jobs. As a popular destination for domestic tourists, the District is rich with tourism assets and scenic beauty, which contributed to a 40% increase in the number of visitors and a 27% increase in visitor spend between 2015 and 2016. The continued implementation of the Tourism Strategy will be instrumental in promoting Newry, Mourne and Down as a premier, year-round mountain and maritime destination, recognised for its EPIC experiences in outdoor adventure, its rich tapestry of cultural heritage, myths and stories, as well as its authentic local life.

**Your views**

Our performance improvement objectives are based on the issues that matter most to you. Over the past two years, almost all respondents to consultations on the performance improvement objectives agreed with the inclusion of this objective and many identified 'arts, culture and events' as a priority area for improvement. The consultations also highlighted the importance of investing in coastal areas, bridging the skills gap between education and employment and recognising the positive contribution a thriving arts scene can have on community life, all of which the Council will focus on during 2018-19.

**Our performance during 2017-18**

- 168 new jobs promoted and 167 new business starts supported through business start up activity
- The Carlingford Lough Greenway between the Weir and Victoria Lock complete
- Destination Experience Development Plan for the Mourne and Ring of Gullion and the Mourne Coast launched
- The five Giant Adventure Festivals attracted over 139,000 visitors and generated an estimated direct spend of £4m

However, we know we can do more. This performance improvement objective has therefore been carried forward to 2018-19 and the 'supporting actions' and 'measures of success' have been reviewed and updated to reflect where progress has been made and the key improvement activities planned for the coming year.

**Supporting actions**

Improve economic growth by:

- Promoting new jobs and supporting new business starts through the NI 'Go For It' programme
- Supporting the growth of the existing business and social enterprise base by delivering a programme of activity to increase turnover, secure new contracts and create new employment opportunities
- Supporting the establishment and growth of small and micro businesses and the creation of new jobs in rural areas, through the Rural Business Investment Scheme
- Providing proposals to invest in the fishing dependent communities of Kilkeel, Annalong and Ardglass through the European Maritime and Fisheries Fund (SEAFLAG 2)
- Addressing the skills gap between education and employment in traditional and key growth sectors through the Skills Forum
- Working in partnership with the Belfast Region City Deal Councils, HM Treasury and the Northern Ireland Office to develop an investment proposal for submission to the Department for Communities and Local Government in Q3 2018-19

Become a premier tourism destination by:

- Submitting a revised application to the UK National Commission for UNESCO for Global Geopark status for the Mourne and Ring of Gullion by November 2019, and operating as a de facto Geopark by September 2018
- Completing the Carlingford Lough Greenway by June 2020, including the design of phase 2 from Victoria Lock to Omeath and Carlingford Marina to Carlingford in 2018-19
- Developing an Arts, Culture and Heritage Strategy to increase participation in cultural activities
- Identifying three pilot destination experiences across the Mourne and Ring of Gullion to create 'epic' moments
- Organising five Giant Adventure Festivals across the District:
  - Footsteps in the Forest (Slieve Gullion)
  - Skiffie Festival (Strangford Lough)
  - Wake the Giant Festival (Warrenpoint)
  - Festival of Flight (Newcastle)
  - City of Merchants Festival (Newry)

### Measures of Success

- 284 business plans approved, 193 new business starts and 155 new jobs promoted
- 8 new social enterprise starts, 12 new jobs created and 30 new volunteers recruited
- 40 community groups and organisations provided with business planning, start-up and business development support
- 55 new micro and small rural businesses created by March 2020
- 30 micro and small businesses in rural areas supported by March 2020
- 147 new jobs created in rural areas by March 2020
- 55 new jobs created in fishing dependent communities by 2020
- 22 new businesses created in fishing dependent communities by 2020
- 130 new qualifications and skills achieved through SEAFLAG 2 by 2020
- Overall growth rate of 6% per annum in overnight expenditure in Newry, Mourne and Down
- Number of visitors to Giant Adventure festivals
- Total estimated spend associated with the Giant Adventure festivals, including direct spend
- Level of visitor satisfaction with Giant Adventure festivals

### Outcomes for local communities and stakeholders

- The local economy benefits from an increase in business starts, the growth of local businesses and support for social enterprises
- The rural economy and coastal areas benefit from significant inward investment and the creation and growth of new businesses and jobs
- Local communities, businesses and social enterprises benefit from improved access to job investment, training and mentoring opportunities
- Newry, Mourne and Down becomes a more economically active and prosperous District



<ul style="list-style-type: none"> <li>• There is an improved level of tourism and an increase in the number of tourists to the District</li> <li>• The Carlingford Lough Greenway creates a world class, cross border green travel route which improves the local living environment</li> <li>• Newry, Mourne and Down is recognised as a premier domestic and international tourist destination</li> </ul>	
<b>Corporate Plan Priorities</b>	Attract investment and support the creation of new jobs Become one of the premier tourist destinations on the island of Ireland
<b>Community Plan Outcome</b>	All people in Newry, Mourne and Down benefit from prosperous communities
<b>Outcomes Delivery Plan 2018-19 (NICS)</b>	We prosper through a strong, competitive, regionally balanced economy We are an innovative and creative society, where people can fulfil their potential We have more people working in better jobs We have created a place where people want to live and work, to visit and invest
<b>Alignment with the 7 aspects of improvement</b>	Strategic effectiveness / Service quality / Service availability / Innovation

## Performance Improvement Objective 3

**Deliver urban and rural regeneration initiatives that will create a District where people want to live, work and invest in**

**Senior Responsible Officer: Director, Enterprise, Regeneration and Tourism**

### Why this matters

Newry, Mourne and Down is a predominantly rural District with a number of urban settlements around Newry, Downpatrick, Ballynahinch, Kilkeel, Warrenpoint, Crossmaglen and Newcastle. The heritage and landscape of our District is unique and diverse, and protecting the natural and built environment is a key priority for the Council and its citizens, as it creates a sense of place and plays an important role in improving the health and wellbeing of all.

The Council's ambition is for Newry, Mourne and Down to be a vibrant, attractive and better place to live. We are working closely with our partners in government, the EU and across the island of Ireland to renew our city, towns and villages, transforming them into places where people want to live, work and invest in. As a 'place shaper', the Council has ambitious plans for Ballynahinch, Downpatrick, Newry, Warrenpoint and Kilkeel, which are set to benefit from improved transport links, street lighting, pavements, signage and shop fronts.

We are also supporting a number of major developments across the District, including Killeavy Castle, Southern Relief Road in Newry, Ballynahinch Bypass and the Downpatrick hotel, all of which will help fulfil our potential as a premier District for businesses, residents and visitors. Advancing the production of the Local Development Plan will also support the economic and social needs of the district in line with regional strategies and policies, whilst providing for the delivery of sustainable development.

Road, transport and digital connectivity are instrumental in supporting access to services, tackling social isolation and ensuring the District can compete locally, nationally and internationally. The Council has identified a number of projects to improve road and transport connections, and will continue to address the challenge of improving digital connectivity, so that rural communities can participate fully in all aspects of civic, community and business life.

### **Your views**

Our performance improvement objectives are based on those things that matter most to you. Over the past two years, all respondents to the consultations on the performance improvement objectives agreed with the inclusion of this objective and many identified 'planning' and 'urban and rural regeneration' as priority areas for improvement. The consultation also reinforced the need to improve accessibility to Council facilities by offering better public transport options from rural areas, and the Council is working with Translink and Newry BID (Business Improvement District) to pilot a night time bus service in 2018.

### **Our performance during 2017-18**

- The physical re-development of Warrenpoint Municipal Park has commenced
- Completion of the Forkhill Greenspace Pathway Project
- 25 Village Plans updated and 20 new Village Plans created
- Multiple initiatives launched to improve digital connectivity across the District
- Improved processing time for local planning applications

However, we know we can do more. This performance improvement objective has therefore been carried forward to 2018-19 and the 'supporting actions' and 'measures of success' have been reviewed and updated to reflect where progress has been made, where projects have been subject to delay and the key improvement activities planned for the coming year.

### **Supporting actions**

- Restore the physical and cultural heritage of Warrenpoint Municipal Park by:
  - Completing the physical re-development of the park by Q2 2018-19
  - Obtaining the Green Flag award for environmental sustainability by Q3 2018-19
- Implement the Areas of Outstanding Natural Beauty (AONB) Action Plans for the Ring of Gullion and Strangford and Lecale
- Work with the Department for Communities to commence the delivery of the environmental improvement scheme in Downpatrick and the revitalisation

schemes in Newry and Warrenpoint

- Work with partners to progress the final phase of the Forkhill Masterplan, including an on-site mixed use development
- Develop a programme of future regeneration initiatives, incorporating Warrenpoint Baths, Lisburn Street carparks in Ballynahinch, Newry Civic Centre and the former police station and adjacent lands in Downpatrick
- Develop 3-5 applications to secure £3.1m Rural Development Village Renewal funding towards the delivery of physical and environmental improvement projects identified through the Village Plans
- Secure funding to progress the regeneration of the Derrymore demesne through a play area, trail development, interpretation and other infrastructural projects
- Work in partnership with the relevant Departments to improve digital connectivity across the District
- Improve accessibility to Council facilities by working in partnership with Translink and Newry BID to pilot a night time bus service from Newry City to Crossmaglen and Killeel
- Consult on the Preferred Options Paper to advance the production of the Local Development Plan
- Improve the processing times of major and local planning applications and planning enforcement cases

#### Measures of success

- 34% increase in the number of visitors to Warrenpoint Municipal Park, reaching 27,900 per annum by Q2 2019-20
- 6% increase in visitor satisfaction with Warrenpoint Municipal Park, reaching 74% by Q2 2019-20
- 9% increase in the number of people who believe Warrenpoint Municipal Park enhances their quality of life, reaching 40.5% by Q2 2019-20
- Level of footfall, improved business/visitor perception and reduced/sustained vacant properties by 2020-21, following the completion of the Downpatrick, Newry and Warrenpoint environmental improvement and revitalisation schemes
- Percentage of planning enforcement cases that are processed within 39 weeks
- Average processing time of major planning applications
- Average processing time of local planning applications

#### Outcomes for local communities and stakeholders

- Warrenpoint Municipal Park and the AONB's enhance the quality of life in the local and surrounding areas
- Enhanced built and natural environment in urban and rural areas, with improved appearance and sense of place
- Urban and rural regeneration projects improve local areas and the quality of life for local communities
- The Rural Development Programme has a positive impact on rural communities and the rural economy

	<ul style="list-style-type: none"> <li>• Regeneration and renewal of selected villages across the District</li> <li>• Improved rural digital connectivity across the District</li> <li>• The Council provides a more efficient and effective Planning Service</li> </ul>
<b>Corporate Plan Priorities</b>	<p>Lead the regeneration of our urban and rural areas          Become one of the premier tourist destinations on the island of Ireland          Attract investment and support the creation of new jobs          Protect our natural and built environment          Advocate on your behalf specifically in relation to those issues which really matter to you          Transform and modernise the Council, providing accessible as well as value for money services</p>
<b>Community Plan Outcomes</b>	<p>All people in Newry, Mourne and Down benefit from prosperous communities          All people in Newry, Mourne and Down get a good start in life and fulfil their lifelong potential</p>
<b>Outcomes Delivery Plan 2018-19 (NICS)</b>	<p>We are an innovative and creative society, where people can fulfil their potential          We connect people and opportunities through our infrastructure          We live and work sustainably – protecting the environment          We have created a place where people want to live and work, to visit and invest</p>
<b>Alignment with the 7 aspects of improvement</b>	<p>Strategic effectiveness / Service quality / Service availability / Fairness / Sustainability / Innovation</p>

## Performance Improvement Objective 4

### Create a cleaner, greener, more attractive District

#### Senior Responsible Officer: Director, Neighbourhood Services

##### Why this matters

The environment is one of the three strategic pillars which underpin the process of community planning. Living in a clean, green, quality environment has a direct impact on the general wellbeing of those who live, work and visit an area. The Council has a key role to play in working with local communities to protect the environment and ensure that streets, parks and open spaces are kept clean and tidy, so that Newry, Mourne and Down is a District we can all be proud of. Through the 'Neighbourhood Services' initiative, the Council is exploring ways to make it easier for customers to report environmental issues around refuse collection, street cleansing, graffiti and fly posting.

Managing municipal waste is also a key responsibility of local government and

Newry, Mourne and Down District Council has made significant progress in reducing the amount of waste going to landfill and increasing the rate of recycling. In order to meet the recycling target of 50% by 2020, the Council has introduced a range of schemes which have been instrumental in reducing the amount of black bin waste whilst increasing the amount of blue and brown bin waste.

### **Your views**

Our performance improvement objectives are also based on those things that matter most to you. Over the past two years, almost all respondents to the consultations on the performance improvement objectives agreed with the inclusion of this objective and many identified 'waste collection and recycling' and 'street cleansing' as priority areas for improvement.

### **Our performance during 2017-18**

- Decrease in black bin waste and an increase in blue and brown bin waste
- Reduction in the amount of biodegradable municipal waste sent to landfill
- Increase in the amount of household waste that is recycled
- Over £39k awarded to 18 environmental improvement projects through 'Down Your Street – Live Here, Love Here'

However, we know we can do more. This performance improvement objective has therefore been carried forward to 2018-19 and the 'supporting actions' and 'measures of success' have been reviewed and updated to reflect where progress has been made, where projects have been subject to delay and the key improvement activities planned for the coming year.

### **Supporting actions**

- Develop the 'Neighbourhood Services' initiative, including the launch of a dedicated telephone number and online channels to report issues around street cleanliness, refuse collection and environmental crime
- Increase and support public participation in local Clean Up Campaigns and initiatives such as 'Down Your Street - Live Here Love Here'
- Monitor levels of street cleanliness across the District
- Undertake targeted awareness raising to communicate the detrimental impact of environmental crime and the importance of recycling
- Increase the recycling rate and reduce the amount of waste going to landfill
- Standardise how glass is collected across the District
- Open the Downpatrick Household Recycling Centre in Q4 2018-19
- Review Household Recycling Centres across the District, in relation to opening hours, entrance and usage, receipt of waste and license conditions

### **Measures of Success**

- 50% of household waste collected by the Council that is sent for recycling by 2020 (including waste prepared for reuse)
- Reduction in the amount of biodegradable Local Authority collected municipal waste that is landfilled to <22,314 tonnes
- Amount of Local Authority Collected Municipal Waste Arisings

<ul style="list-style-type: none"> <li>• Reduction in black bin waste and increase in blue and brown bin waste</li> <li>• Amount of general waste arisings at Household Recycling Centres</li> <li>• Percentage of bins collected on their scheduled day</li> <li>• Level of street cleanliness across the District</li> </ul>	
<b>Outcomes for local communities and stakeholders</b>	
<ul style="list-style-type: none"> <li>• The Council meets landfill and recycling targets</li> <li>• Efficient and effective recycling, composting, bin collection and cleansing services</li> <li>• Local communities benefit from living in a cleaner, greener environment</li> <li>• Improved civic and community pride in the District</li> </ul>	
<b>Corporate Plan Priorities</b>	Protect our natural and built environment Transform and modernise the Council, providing accessible as well as value for money services
<b>Community Plan Outcome</b>	All people in Newry, Mourne and Down benefit from a clean, quality and sustainable environment
<b>Outcomes Delivery Plan 2018-19 (NICS)</b>	We live and work sustainably – protecting the environment
<b>Alignment with the 7 aspects of improvement</b>	Strategic effectiveness / Service quality / Service availability / Sustainability / Efficiency / Innovation

## Performance Improvement Objective 5

### Encourage and empower local communities to participate in Council engagement structures and initiatives

**Senior Responsible Officer: Director, Active and Healthy Communities**

#### Why this matters

Social connections and interactions are fundamental drivers for improving the physical, mental and emotional well-being of local people. Newry, Mourne and Down District Council is committed to investing in communities, building their capacity and empowering them to participate in shaping and designing the policies and services which have an impact on their quality of life. Through the DEA Fora, Policing and Community Safety Partnership, Neighbourhood Renewal Partnerships and PEACE IV Partnership, the Council is empowering local people to have a voice in shaping their future and their District.

Community safety remains a key issue across the District, as the number of residents taking responsibility for their personal safety through our Neighbourhood Watch, 'Home Secure' and 'Good Morning Good Neighbour' Schemes continues to grow. Home to many different communities, the Council also recognises the significant and diverse role the voluntary and community sector plays in connecting

communities, facilitating a sense of belonging to the area and investing in the capacity of local people. 6,849 local volunteers are currently registered with Volunteer Now, 417 of whom were recruited during 2017. The Council remains committed to supporting local voluntary and community groups through its annual Financial Assistance Scheme.

### **Your views**

Our performance improvement objectives are also based on the issues that matter most to you. Over the past two years, almost all respondents to the consultations on the performance improvement objectives agreed with the inclusion of this objective and many identified 'community services' as a priority area for improvement. The consultation also reinforced the need for effective engagement with young people and targeted support for the most vulnerable groups within society, both of which will be addressed during 2018-19.

### **Our performance during 2017-18**

- Corporate Consultation and Engagement Strategy adopted
- Over 40% of places currently occupied on the DEA Fora, PCSP, Neighbourhood Renewal Partnerships and PEACE IV Partnership are taken by representatives from the community, voluntary and business sectors
- Over £1.3m awarded towards a range of community based initiatives, including summer schemes, Christmas illuminations and capital projects
- Audit of Effectiveness for Community Centres complete

However, we know we can do more. This performance improvement objective has therefore been carried forward to 2018-19, and the 'supporting actions' and 'measures of success' have been reviewed and updated to reflect where progress has been made and the key improvement activities planned for the coming year.

### **Supporting actions**

- Strengthen the level of engagement and participation in the following structures:
  - Policing and Community Safety Partnership
  - Neighbourhood Renewal Partnerships
  - DEA Fora
  - Peace IV Partnership
  - Community and Voluntary Sector Strategic Stakeholder Forum
- Reduce the risk of being burgled and address the fear of crime by encouraging residents to access the following schemes:
  - Neighbourhood Watch Scheme
  - 'Good Morning, Good Neighbour' Scheme
  - 'Home Secure' Scheme
- Through the Financial Assistance Scheme, support local community and voluntary groups to deliver projects across key areas including festivals, sports development, community engagement, good relations, community safety and Irish Language
- Positively engage minority groups in Council initiatives, including young

<p>people, older people and black and minority ethnic communities</p> <ul style="list-style-type: none"> <li>• Strengthen community engagement in local decision-making through 'participatory budgeting' pilot projects</li> </ul>	
<p><b>Measures of success</b></p> <ul style="list-style-type: none"> <li>• Number of meetings, events and capacity building programmes, including attendance levels and participation evaluation</li> <li>• The effectiveness of Council run community engagement structures in facilitating stakeholder participation</li> <li>• Number of Neighbourhood Watch Schemes</li> <li>• Number of beneficiaries of the 'Good Morning, Good Neighbour' and 'Home Secure' Schemes</li> <li>• Number and percentage of financial assistance projects funded and successfully delivered</li> <li>• Number of visits to the Ethnic Minority Support Centre</li> </ul>	
<p><b>Outcomes for local communities and stakeholders</b></p> <ul style="list-style-type: none"> <li>• More informed decision-making, policy development and service provision</li> <li>• Local communities and stakeholders are actively engaged in supporting the work of the Council and its partners</li> <li>• Decrease in the number of people reporting to live in fear and a reduction in the incidents of burglary</li> <li>• Community groups receive financial support towards meeting their objectives and delivering projects across a range of themes, including community safety, good relations, community engagement, Christmas illuminations and capital projects</li> <li>• Newry Mourne and Down is a more inclusive, cohesive and vibrant District, with confident and empowered communities</li> </ul>	
<p><b>Corporate Plan Priority</b></p>	<p>Empower and improve the capacity of our communities</p>
<p><b>Community Plan Outcome</b></p>	<p>All people in Newry, Mourne and Down live in respectful, safe and vibrant communities</p>
<p><b>Outcomes Delivery Plan 2018-19 (NICS)</b></p>	<p>We have a more equal society                  We have a safe community where we respect the law and each other                  We are a shared, welcoming and confident society that respects diversity</p>
<p><b>Alignment with 7 aspects of improvement</b></p>	<p>Strategic effectiveness / Service quality / Service availability / Fairness / Innovation</p>



## Statutory Performance Indicators and Standards

Section 89 of the Local Government Act (NI) 2014 requires the Council to publish the results of the performance indicators and standards that are set by central government around economic development, planning and waste management.

The seven statutory performance indicators and standards, as outlined in the Local Government Performance Indicators and Standards Order (2015), are set out below:

Ref	Statutory Performance Indicator	Annual Standard
<b>Economic Development</b>		
ED1	The number of jobs promoted through business start-up activity	>155
<b>Planning</b>		
P1	The average processing time of major planning applications	<30 weeks
P2	The average processing time of local planning applications	<15 weeks
P3	The percentage of enforcement cases processed within 39 weeks	70%
<b>Waste Management</b>		
W1	The percentage of household waste collected by District Councils that is sent for recycling (including waste prepared for reuse)	50% by 2020
W2	The amount (tonnage) of biodegradable Local Authority Collected Municipal Waste that is landfilled	<22,314 tonnes
W3	The amount (tonnage) of Local Authority Collected Municipal Waste arisings	85,500 tonnes

The Council has put in place the following arrangements to monitor progress against the standards set for the statutory performance and indicators:

- Inclusion within the Performance Improvement Plan, with progress being monitored and reported on a bi-annual basis to the Strategy, Policy and Resources Committee and Audit Committee.
- Inclusion within Directorate Business Plans, with progress being monitored and reported on an annual basis to the relevant Council Committee.
- Data submissions to Government Departments, with reports being issued to monitor the performance of each Council, identifying regional trends and comparisons.

## Self Imposed Performance Indicators

The Council has identified the following self imposed performance indicators to measure progress in delivering the Corporate Plan 2015-19.

Corporate Priority	Measure of Success
Become one of the premier tourist destinations on the island of Ireland	Increased number of visitors
	Increased dwell time of visitors
	Increased visitor spend
Attract investment and support the creation of new jobs	Increased number of new businesses started
	Increased levels of employment
	Major planning applications processed within 30 weeks
Support improved health and wellbeing outcomes	Two leisure centres constructed and operational
	Increase in the number of people using Council leisure facilities
Protect our natural and built environment	Level of waste to landfill – zero waste to landfill across the District
	Completion of flood defences at Camlough Lake
	70% of planning enforcement cases processed within 39 weeks
Lead the regeneration of urban and rural areas	Increased number of new jobs and businesses created in rural areas
Advocate on your behalf, specifically in relation to those issues that really matter to you	Increased broadband and mobile coverage
	Improved roads infrastructure
Empower and improve the capacity of our communities	Community Plan completed and published by mid 2016
	7 Community Fora established across the entire District with associated action plans
Transform and modernise the Council, providing accessible as well as value for money services	Increased citizen satisfaction
	Increased employee satisfaction
	Reduced absenteeism
	IIP/CSE accreditation
	Annual Improvement Plan validated by the Local Government Auditor

The Council has put in place the following arrangements to monitor progress against the self imposed performance indicators:

- Inclusion within the Performance Improvement Plan, with progress being monitored and reported to the Strategy, Policy and Resources Committee and Audit Committee through the annual Assessment of Performance.

- Some performance indicators are included within Directorate Business Plans, with progress being monitored and reported on annual basis to the relevant Council Committee.

As the Council's performance management arrangements continue to strengthen and embed, the current suite of self imposed performance indicators will be reviewed as part of the development of the Corporate Plan 2019-23, and aligned to community planning outcomes. This will ensure the Council continues to address the needs and aspirations of local communities and deliver sustainable outcomes for all, now and in the future.

## Appendix 1

### Identifying the Performance Improvement Objectives

In 2017-18, Newry, Mourne and Down District Council set performance improvement objectives which covered a number of years and have therefore been carried forward to 2018-19. Each objective is underpinned by 'supporting actions' and 'measures of success', with annual milestones included where appropriate.

The performance improvement objectives have been developed in close liaison with elected members and staff across the organisation. Each objective is clearly aligned to the district's community planning outcomes and corporate priorities, as well as other regional and local plans. These plans are outlined below and have been developed using a robust and reliable evidence base, as well as consultation and engagement feedback from key stakeholders. They influence and guide the overall direction of travel for the organisation.

- Outcomes Delivery Plan 2018-19 (NI Civil Service)
- Newry, Mourne and Down Community Plan 2017-2030, Thematic Delivery Plans and District Electoral Area (DEA) Action Plans
- Newry, Mourne and Down District Council Corporate Plan 2015-2019
- Thematic plans and strategies, including the Tourism Strategy, Economic Regeneration and Investment Strategy and Play Strategy
- Annual Directorate Business Plans

The Council has also taken into consideration performance information from the following sources to support the development of the performance improvement objectives:

- The Northern Ireland Audit Office Audit and Assessment Reports and the subsequent 'proposals for improvement'
- The Assessment of Performance 2016-17, including progress against corporate priorities, performance improvement objectives and statutory performance indicators and standards for economic development, planning and waste management
- The Mid Year Progress Report for the Performance Improvement Plan 2017-18

### Community Planning Outcomes

The Community Plan for Newry, Mourne and Down provides a framework for collaborative working to deliver positive change for our communities. It sets out the following long term overarching vision and five positive outcomes for the District:

**'Newry, Mourne and Down is a place with strong, safe and vibrant communities where everyone has a good quality of life'**

**and access to opportunities, choices and high quality services which are sustainable, accessible and meet people’s needs’.**

**Our Outcomes**

These are the positive outcomes we all wish to see in our community:



**Corporate Priorities**

The Corporate Plan 2015-19 sets out the Council’s vision for the district. It ties together a number of plans and strategies that will enable the Council to deliver the following mission and eight priorities. The Corporate Plan will contribute to achieving the overarching vision and outcomes within the Community Plan.

**‘Lead and serve a District that is prosperous, healthy and sustainable’**

By 2019, we will have:

<p><b>1</b></p> <p>Become one of the premier tourism destinations on the island of Ireland.</p>	<p><b>2</b></p> <p>Attracted investment and supported the creation of new jobs.</p>	<p><b>3</b></p> <p>Supported improved health and wellbeing outcomes.</p>	<p><b>4</b></p> <p>Protected our natural and built environment.</p>
<p><b>5</b></p> <p>Led the regeneration of our urban and rural areas.</p>	<p><b>6</b></p> <p>Advocated on your behalf specifically in relation to those issues which really matter to you.</p>	<p><b>7</b></p> <p>Empowered and improved the capacity of our communities.</p>	<p><b>8</b></p> <p>Transformed and modernised the Council, providing accessible as well as value for money services.</p>

## Alignment with the Strategic Aspects of Improvement

In accordance with the Local Government Act (NI) 2014, each performance improvement objective seeks to bring about improvement in at least one of the following aspects:

- Strategic effectiveness
- Service quality
- Service availability
- Fairness
- Sustainability
- Efficiency
- Innovation

The table below provides an overview of how Newry, Mourne and Down District Council's performance improvement objectives 2018-19 are aligned with the seven specified aspects of improvement:

Performance Improvement Objective	Seven Aspects of Improvement						
	Strategic Effectiveness	Service Quality	Service Availability	Fairness	Sustainability	Efficiency	Innovation
Encourage healthy lifestyles through increased participation in leisure, sport and recreational activities	✓	✓	✓	✓	✓	✓	✓
Improve economic growth by creating new business starts, supporting the growth of existing businesses and promoting Newry, Mourne and Down as a premier tourist destination	✓	✓	✓				✓
Deliver urban and rural regeneration initiatives that will create a District where people want to live, work and invest in	✓	✓	✓	✓	✓		✓
Create a cleaner, greener, more attractive District	✓	✓	✓		✓	✓	✓
Encourage and empower local communities to participate in Council engagement structures and initiatives	✓	✓	✓	✓			✓

The Council has also assessed the performance improvement objectives against the following criteria, and considers them to be:

- Legitimate
- Clear
- Robust
- Deliverable
- Demonstrable

## Equality Screening

In accordance with the Section 75 requirements of the Northern Ireland Act (1998), whereby the Council must carry out its functions having due regard to the need to promote equality of opportunity and regard for the desirability to promote good relations, the performance improvement objectives have been subject to an equality screening. The outcome of the equality screening process determined that the performance improvement objectives 2018-19 are not subject to an equality impact assessment.

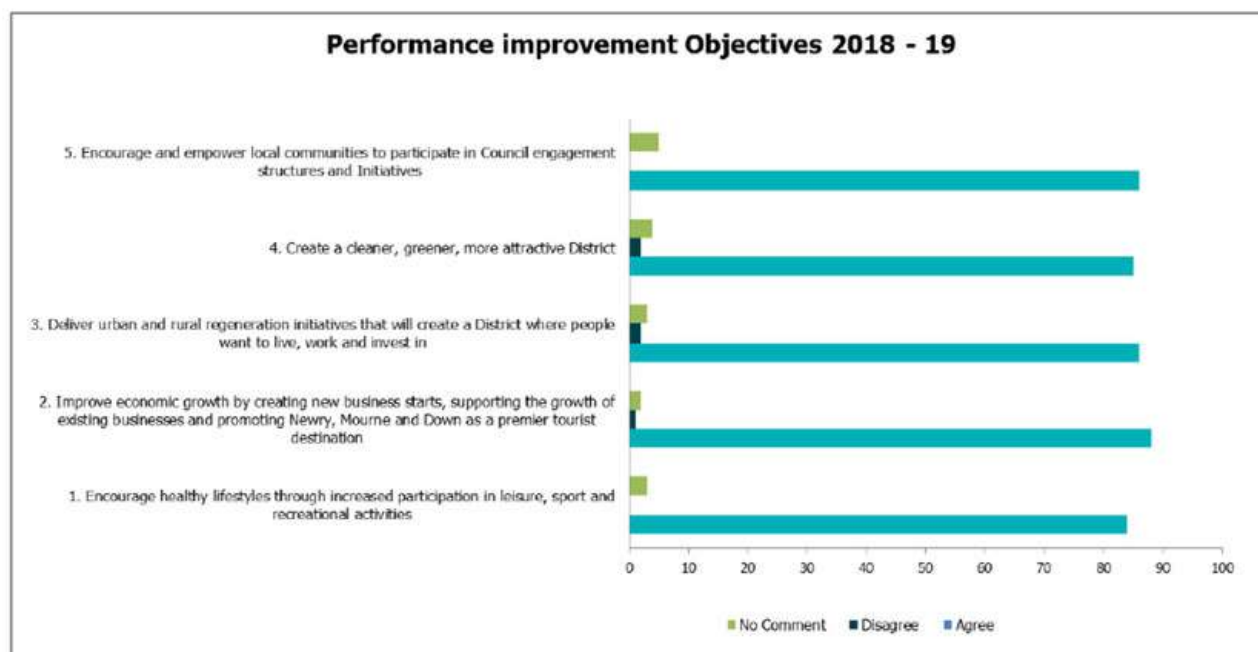
## Consultation and Engagement

The Council is committed to listening to local people and their views. Over the past two years, the Council carried out extensive consultation and engagement, inviting key stakeholders, including Elected Members, residents, local businesses and community planning partners to put forward their views on the proposed performance improvement objectives.

The 2018-19 consultation and engagement process was made up of the following elements which resulted in a total of 92 completed surveys, in addition to engagement with around 80 stakeholders

- Electronic documentation and survey on the Council’s website and social media channels, and at public reception areas in Newry and Downpatrick
- Email distribution to statutory and community planning partners
- Public Notices in local newspapers
- Engagement with the District Electoral Area (DEA) Fora, which are made up of Elected Members and independent members representing the voluntary, business and community sectors
- Engagement with Section 75 groups, including Youth Councils, Older Person’s Forum and Ethnic Minority Support Centre

Over the past two years, the consultation and engagement process revealed widespread support for the proposed performance improvement objectives, with almost all respondents agreeing with each of the five objectives.



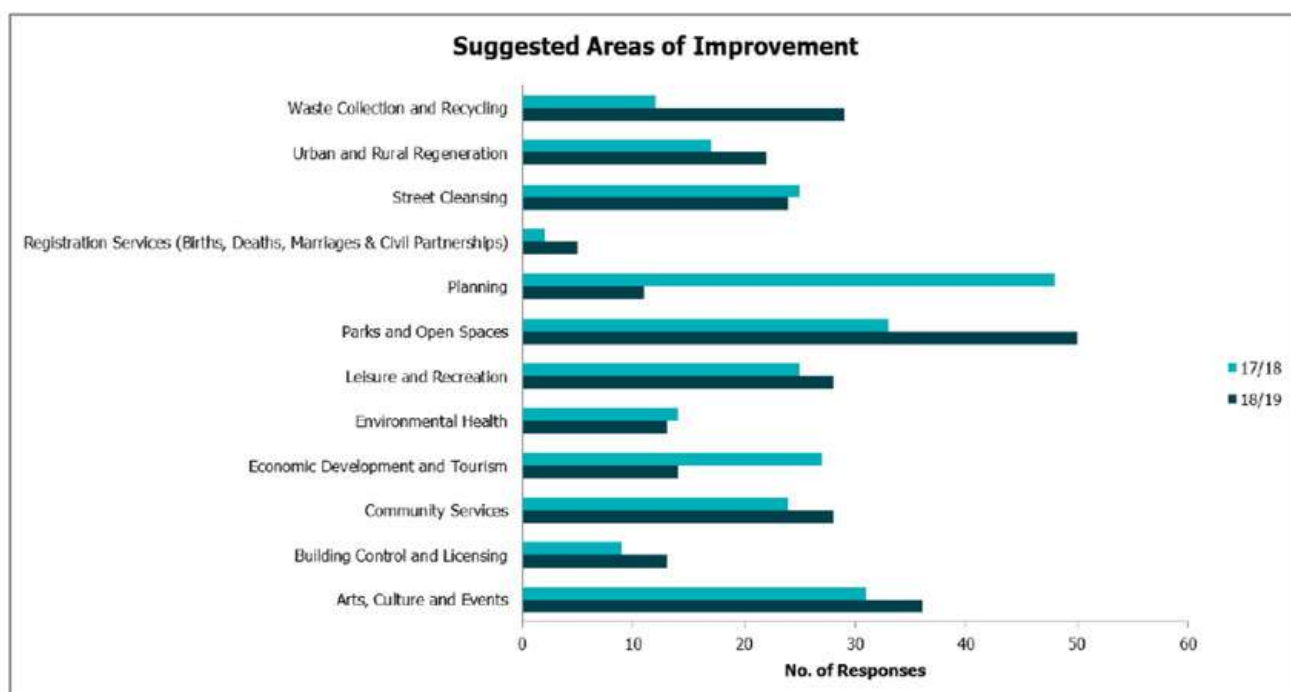
The Council has also considered the views put forward by stakeholders over the past two years by including the following ‘supporting actions’:



- Consider options to progress the development of a park at the Albert Basin, Newry
- Provide proposals to invest in the fishing dependent communities of Kilkeel, Annalong and Ardglass through the European Maritime and Fisheries Fund
- Address the skills gap between education and employment
- Develop an Arts, Culture and Heritage Strategy to increase participation in cultural activities
- Improve accessibility to Council facilities by working in partnership with Translink and Newry BID to pilot a night time bus service from Newry City to Crossmaglen and Kilkeel
- Secure funding to progress the regeneration of the Derrymore demesne through a play area, trail development, interpretation and other infrastructural projects
- Positively engage minority groups in Council initiatives, including young people, older people and people from black and minority ethnic communities

As part of the consultation and engagement, the Council also sought the views of stakeholders on the future areas of improvement. The survey results indicate that the areas which most need improving in 2018-19 are:

- Parks and Open Spaces
- Arts, Culture and Events
- Waste Collection and Recycling
- Community Services



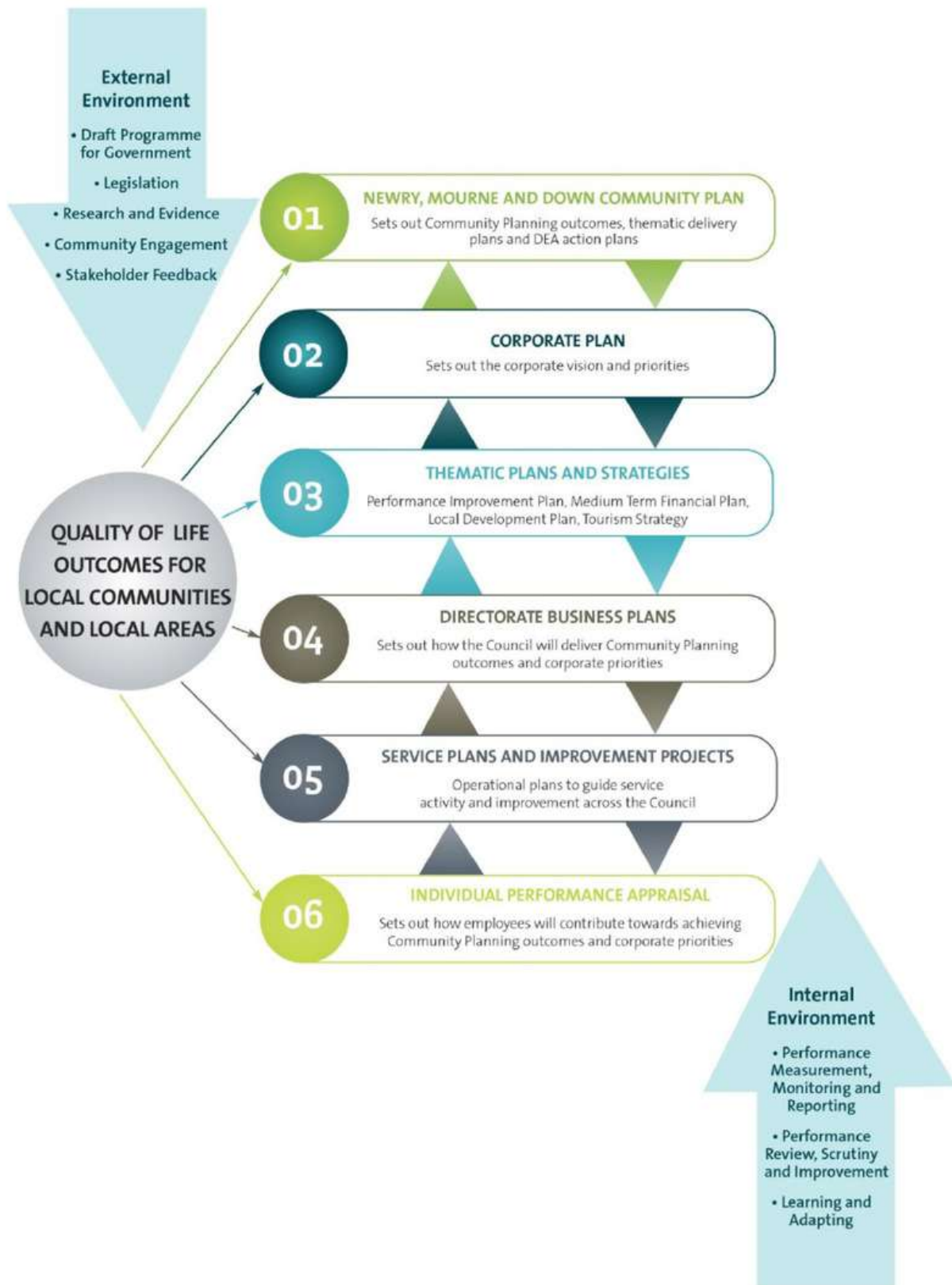
## Appendix 2

### Business Planning and Performance Management Framework

The Council's Business Planning and Performance Management Framework drives and provides assurance that community planning outcomes, corporate priorities and performance improvement objectives are being delivered.

The Community Plan and Corporate Plan sit within a hierarchy of plans that informs the Council's overall direction of travel and guides all activity within the organisation. Community planning outcomes and corporate priorities are cascaded across the organisation through thematic plans and strategies and Directorate Business Plans. The Council remains committed to developing and embedding Service Plans and Individual Performance Appraisals which will demonstrate how employees contribute to the achievement of community planning outcomes and corporate priorities.

Through the Business Planning and Performance Management Framework, the Council will manage performance at all levels across the organisation, in order to ensure the necessary steps are taken to secure continuous improvement in the exercise of functions. Each level of the Business Planning and Performance Management Framework is, and will be, accompanied by a relevant set of performance indicators to monitor and assess the Council's progress in improving the quality of life for local communities.



The table below provides a description of the various plans and strategies that form part of the Council's Business Planning and Performance Management Framework.

Community Plan	The Community Plan for Newry, Mourne and Down sets out the long term vision for improving the economic, social and environmental wellbeing of the District. Developed in collaboration with partners across the statutory, business and voluntary sectors, the Community Plan is supported by four Thematic Delivery Plans and seven DEA Action Plans, which seek to deliver the five community planning outcomes at a local level. Progress in implementing the Community Plan is reviewed on a biennial basis.
Corporate Plan	The Corporate Plan 2015-19 sets out the vision, values and corporate priorities for the Council. Each corporate priority is underpinned by 'supporting actions' and 'measures of success'. Progress in delivering the Corporate Plan is reported annually through the NMD Connect Newsletter and Assessment of Performance.
Thematic Plans and Strategies	The Council has put in place a number of Thematic Plans and Strategies to support the implementation of the Community Plan and Corporate Plan, including the Performance Improvement Plan, Medium Term Financial Plan, Tourism Strategy and Play Strategy. These plans provide the strategic context for multiple programmes of work across the organisation.
Directorate Business Plans	Business Plans are developed annually and seek to demonstrate how Directorates contribute to the achievement of community planning outcomes, corporate priorities and performance improvement objectives. Directorate Business Plans include suites of key performance indicators to measure progress and drive continuous improvement, with performance being monitored and reviewed annually by the relevant Committee.
Service Plans and Improvement Projects	Service Plans and Improvement Projects are operational and will set the direction for service areas across the Council. They will outline how each service supports the delivery of community planning outcomes, corporate priorities and performance improvement objectives, and will include key performance indicators. Service Plans will provide a mechanism to manage performance consistently across the organisation and identify operational improvement projects on a continuous basis.
Individual Performance Appraisal	The Council recognises the significant role employees play in contributing to the achievement of the Community Plan, Corporate Plan, Thematic Plans and Strategies and Directorate Business Plans. The Council remains committed to progressing Individual Performance Appraisal further, in order to demonstrate the crucial

	link between the work of employees and the outcomes experienced by local communities and other key stakeholders.
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## Appendix 3

### Achieving Continuous Improvement

Transforming and improving how the Council delivers services and how it is organised is a key priority within the Corporate Plan. Newry, Mourne and Down District Council is committed to developing a 'can do' culture, where managing performance and achieving improvement is everyone's responsibility. In pursuing the corporate vision and priorities, the Council has adopted five core values which are fundamental to everything it does.

We will be:	What this means:
Citizen focused	The Council will actively encourage citizen and community engagement, as well as be a listening and responsive Council
Accountable	The Council will make decisions based on an objective assessment of need and operate in a transparent way as well as openly reporting on our performance
Collaborative	The Council will actively encourage and pursue working in partnership at all levels to deliver for our District
Sustainable	The Council will take into account the social, economic and environmental impacts of our decisions on current and future generations
Fair	The Council will proactively target actions at those which are marginalised in our community

The Performance Improvement Plan 2018-19 underpins the Council's overall approach to effective performance management. It will support the Council in identifying more efficient and effective ways of working to facilitate the achievement of community planning outcomes, corporate priorities and Directorate objectives, which together will support the implementation of the Business Planning and Performance Management Framework.

The Council is also required to assess how performance compares with other Councils. Newry, Mourne and Down District Council is working with the Association of Public Service Excellence to benchmark our performance against the performance of Councils across Northern Ireland and other jurisdictions, and this information will be used to identify and address future areas for improvement

## Appendix 4

### Governance Arrangements

Reviewing performance and reporting progress to elected members and other key stakeholders is very important, as it facilitates transparency, accountability and improvement in everything the Council does. The governance arrangements to develop, monitor, report and review the Council's progress in implementing the Performance Improvement Plan 2018-19 are outlined below:



The Council must publish an Assessment of Performance by 30 September 2018. This assessment will provide an overview of how the Council has performed during 2017-18, against its performance improvement objectives, statutory performance indicators and standards for economic development, planning and waste management and self imposed performance indicators. The Assessment of Performance will be published on the Council's website and supplemented by the Mid Year Progress Report for the Performance Improvement Plan 2018-19.

The arrangements the Council has put in place to secure continuous improvement are subject to an annual audit and assessment by the Northern Ireland Audit Office. The outcome of the Performance Audit and Assessment is expected in November 2018. Subject to the General Duty of Improvement being met, the Northern Ireland Audit Office will issue a Letter of Assurance to both the Council and Department for Communities.

## How to Propose New Performance Improvement Objectives

Newry, Mourne and Down District Council welcomes your ongoing feedback on the performance improvement objectives 2018-19, as well as any suggestions you may have on how it can improve services in the future.

The Council can be contacted in the following ways:

**In writing:** Kate Bingham  
Head of Performance and Improvement  
Newry, Mourne and Down District Council  
O'Hagan House  
Monaghan Row  
Newry  
Co Down  
BT35 8DJ

**Telephone:** 0300 013 2233

**Email:** [kate.bingham@nmandd.org](mailto:kate.bingham@nmandd.org)

# Our Performance

## Looking Back, Going Forward











The Local Government (NI) Act 2014 sets out a general duty of improvement for local government, whereby all District Councils must put in place arrangements to secure continuous improvement in the exercise of their functions.

## Looking Back Assessment of Performance 2017-18






Every year, we are required to publish an Assessment of Performance to demonstrate whether planned improvements have been achieved. The Assessment of Performance sets out the Council’s progress in delivering the:

















- Performance Improvement Objectives 2017-18
- Statutory performance indicators and standards for economic development, planning and waste management
- Self imposed performance indicators, as outlined in the Corporate Plan 2015-19

Our performance has been tracked against set targets and trends over time, using the legend below. Some of the performance information within this document remains provisional and will be updated and published through the Assessment of Performance in September 2018.

Status		Trend	
	Target or objective achieved / on track to be achieved		Performance has improved since the previous year
	Target or objective partially achieved / likely to be achieved / subject to delay		Performance is similar to the previous year
	Target or objective not achieved / unlikely to be achieved		Performance has declined since the previous year

## Progress at a Glance

Performance Improvement Objective	Progress	Status
<b>Encourage healthy lifestyles through increased participation in leisure, sport and recreational activities</b>	Newry Leisure Centre complete	
	Downpatrick Leisure Centre delayed	
	Increased attendances at Council leisure facilities*	
	Customer satisfaction surveys carried out at six Council leisure facilities	
	Implementation of the Play Strategy and Sports	

	Facility Strategy underway	
	1,175 children and young people took part in Community Play initiatives	
<p><b>Improve economic growth by creating new business starts, supporting the growth of existing businesses and promoting Newry, Mourne and Down as a premier tourist destination</b></p> <p><b>£</b></p>	168 new jobs promoted and 167 new business starts supported through business start up activity	
	The Carlingford Lough Greenway between the Weir and Victoria Lock complete	
	Our five Giant Adventure Festivals attracted 139,000 visitors and generated an estimated £4m for the local economy	
	41% increase in visitor numbers**	
	27% increase in visitor spend**	
<p><b>Deliver urban and rural regeneration initiatives that will create a District where people want to live, work and invest in</b></p> 	The restoration of Warrenpoint Town Park commenced	
	Delay in commencing three environmental improvement and revitalisation schemes	
	Forkhill Greenspace Project complete	
	45 Village Plans updated and created	
	Improved processing time for local planning applications	
	Increased processing time for major planning applications	
<p><b>Create a cleaner, greener, more attractive District</b></p>	Increase of 5% in the rate of recycling***	
	50% reduction in the amount of waste going to landfill***	

	14% reduction in black bin waste, 4% increase in blue bin waste and 58% increase in brown bin waste****	▲
	Downpatrick Household Recycling Centre delayed	☹️
	£39,988 awarded through 'Down Your Street – Live Here, Love Here'	😊
<p><b>Encourage and empower local communities to participate in Council engagement structures and initiatives</b></p> 	Corporate Consultation and Engagement Framework adopted	😊
	Significant representation from the community, voluntary and business sectors on Council engagement structures	😊
	Over £1.3m awarded to 380 projects through the Financial Assistance Scheme	😊
	Review of community centres complete	😊

\*Comparisons for leisure centre attendances relate to 2015-16 and 2016-17

\*\*Comparisons for tourism figures relate to 2015 and 2016

\*\*\*Comparisons for recycling and landfill figures relate to Q1, Q2 and Q3 2016-17 and 2017-18

\*\*\*\*Comparisons for black, blue and brown bin waste relate 2016-17 and 2017-18 (data not yet validated)

## Going Forward Performance Improvement Objectives 2018-19

Every year, we are required to set performance improvement objectives for the services we provide, and to have in place arrangements to achieve these objectives. The Council has identified five performance improvement objectives for 2018-19 which are supported by a range of actions, some of which are summarised below. These objectives seek to address the issues which matter most to local people, and are:

Linked to the Community Plan, Corporate Plan and Directorate Business Plans	✓
Based on existing performance information	✓
Aligned to the seven strategic aspects of improvement	✓
Based on stakeholder consultation and engagement	✓

**Objective 1****Encourage healthy lifestyles through increased participation in leisure, sport and recreational activities****What we will do:**

- Complete the refurbishment of Downpatrick Leisure Centre
- Upgrade and improve existing sports facilities through the implementation of the Sports Facility Strategy
- Provide and improve fixed and non fixed play opportunities through the implementation of the Play Strategy
- Engage children and young people in Community Play and other health and wellbeing initiatives
- Consider options to progress the development of a park at the Albert Basin, Newry
- Produce an Activity, Promotion and Development Plan to map out the provision of physical activity across the District

**Objective 2****Improve economic growth by creating new business starts, supporting the growth of existing businesses and promoting Newry, Mourne and Down as a premier tourist destination****What we will do**

- Promote 155 new jobs and support 193 new business starts across the District
- Support the establishment and growth of local businesses and social enterprises
- Provide proposals to invest in the fishing dependent communities of Kilkeel, Annalong and Ardglass
- Progress the Belfast Region City Deal by working in partnership with participating Councils, HM Treasury and the Northern Ireland Office to submit an investment proposal to the Department for Communities and Local Government
- Submit an application for Global Geopark status for the Mourne and Ring of Gullion by November 2019
- Develop an Arts, Culture and Heritage Strategy to increase participation in cultural activities
- Organise the five Giant Adventure Festivals across the District

**Objective 3****Deliver urban and rural regeneration initiatives that will create a District where people want to live, work and invest in****What we will do**

- Restore the physical and cultural heritage of Warrenpoint Town Park
- Work with the Department for Communities to commence the delivery of the environmental improvement and revitalisation schemes in Downpatrick, Newry and Warrenpoint

- Secure funding towards the physical and environmental improvements identified within Village Plans
- Work in partnership with the relevant Departments to improve digital connectivity across the District
- Secure funding to progress the regeneration of the Derrymore Demesne
- Consult on the Preferred Options Paper to advance the production of the Local Development Plan
- Improve the processing times for planning applications and enforcement cases

#### **Objective 4**

##### **Create a cleaner, greener, more attractive District**

#### **What we will do**

- Develop the 'Neighbourhood Services' initiative, including the launch of a dedicated telephone number and online channels to report issues around street cleanliness, refuse collection and environmental crime
- Increase and support public participation in local clean up campaigns
- Raise awareness of the detrimental impact of environmental crime and the importance of recycling
- Increase the rate of recycling to 50% by 2020 and continue to reduce the amount of waste going to landfill
- Standardise how glass is collected across the District
- Open the Downpatrick Household Waste Recycling Centre

#### **Objective 5**

##### **Encourage and empower local communities to participate in Council engagement structures and initiatives**

#### **What we will do**

- Strengthen the level of engagement and participation in the Council's partnerships, including the District Electoral Area Fora and Neighbourhood Renewal Partnerships
- Promote the 'Neighbourhood Watch', 'Good Morning, Good Neighbour' and 'Home Secure' Schemes
- Through the Financial Assistance Scheme, support community groups to deliver projects across key areas including festivals, sports development and good relations
- Engage minority groups in Council initiatives, including young people, older people and black and minority ethnic communities

### **Have your say**

We welcome your feedback and suggestions on how Council services can be improved in the future. Full copies of the following documents are available to download from our website [www.newrymournedown.org](http://www.newrymournedown.org) as follows:

- **Performance Improvement Plan 2018-19 - 29 June 2018**

- **Assessment of Improvement 2017-18 – 28 September 2018**

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This document is available in alternative formats upon request.

# Newry, Mourne and Down District Council

Consultation and Engagement Report on  
the Performance Improvement Objectives  
2018-19



## Introduction

The Local Government Act (NI) 2014 sets out a General Duty of Improvement, whereby all District Councils must put in place arrangements to secure continuous improvement in the exercise of their functions and set performance improvement objectives for each financial year.

Newry, Mourne and Down District Council's draft performance improvement objectives 2018-19 have been carried forward from 2017-18 and were considered by the Strategy, Policy and Resources Committee on 15 March 2018. This was followed by extensive consultation and engagement activity which encouraged key stakeholders, including residents, businesses, statutory and community planning partners and Elected Members, to have their say on the proposed draft performance improvement objectives.

This report provides an overview of the consultation and engagement methodology and an analysis of the responses which were received.

## Consultation and Engagement Activity

Between 23 March – 18 May 2017, Newry, Mourne and Down District Council carried out an eight week consultation and engagement process with key stakeholders on the draft performance improvement objectives 2018-19, through the following mechanisms:

- Electronic documentation and survey on the Council's website and social media channels
- Hard copies of the documentation and survey at the Council's public receptions in Monaghan Row (Newry), Downshire Civic Centre (Downpatrick) and the Ethnic Minority Support Centre (Town Hall, Newry)
- Email distribution to Community Planning Partners and Equality Scheme consultees
- Public Notices in local newspapers
- Engagement with the DEA Fora through public engagement events and private meetings
- Engagement with Section 75 groups including the Older Persons Forum and Youth Councils\*

\*Following ongoing liaison with the Newry and Mourne Youth Council and Down Youth Council, a meeting is scheduled to take place on 27 June 2018 between Youth Councillors, Chairperson of Council, Chief Executive and Council Officials. The purpose of this meeting is to provide Youth Councillors with an opportunity to consider the Performance Improvement Plan 2018-19 in a similar format to Council meetings. Feedback from this meeting will be used to inform the Council's future performance improvement objectives.



## Analysis Methodology

A total of 92 completed surveys were received in response to the consultation and engagement on the Council's draft performance improvement objectives 2018-19. Respondents were asked whether they agreed or disagreed with the draft performance improvement objectives, if they had any comments to make regarding each objective and to put forward their suggested priorities for future improvement. In addition to the survey, engagement was also carried out with Elected Members, statutory partners, community, voluntary and business sectors and Section 75 groups through meetings of the DEA Fora and Older Persons Forum.

In carrying out the quantitative and qualitative consultation and engagement, a structured process was used to capture responses around each of the five draft performance improvement objectives 2018-19. All consultation and engagement responses have been considered and amendments have been recommended in relation to the 'supporting actions' for some performance improvement objectives.

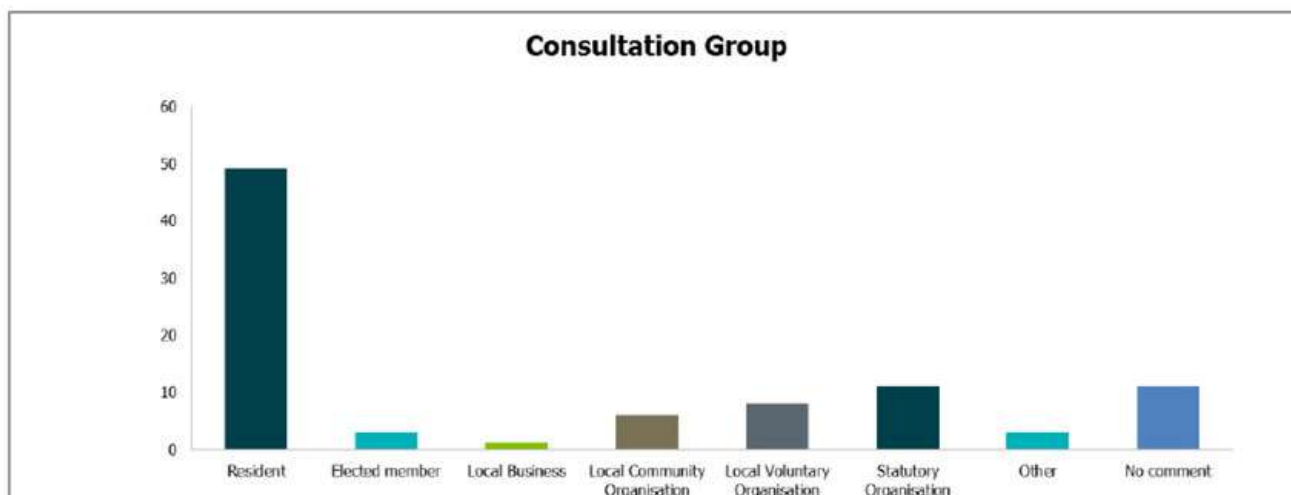
Feedback from the consultation and engagement process has been circulated to the Council's Strategy, Policy and Resources Committee, Senior Management Team, Corporate Management Team and Community Planning partners for their consideration as part of the business planning process.

The Performance Improvement Plan 2018-19 and summary document entitled 'Our Performance, Looking Back, Going Forward' will also be circulated to consultees and published on the Council's website.

## Consultation and Engagement Findings

### Profile of Respondents

Responses to the draft performance improvement objectives 2018-19 were received from a range of key stakeholders, with the highest number of responses from residents, local community and voluntary organisations and statutory partners, as outlined in the following chart.



Eight survey responses were submitted on behalf of the following organisations:

- Southern Regional College (SRC)
- Mourne Heritage Trust
- Volunteer Now
- Kilclief Residents Association
- Shopmobility Newry
- Children and Young People's Strategic Partnership (CYPSP)
- Early Years
- Down Senior Citizens Consortium
- Down Youth Council

The Council also attended the following events to consult key stakeholders:

- Silver Surfers Event, 28 March, Newry
- Mourne Mountain Adventure, 21 April, Kilkeel

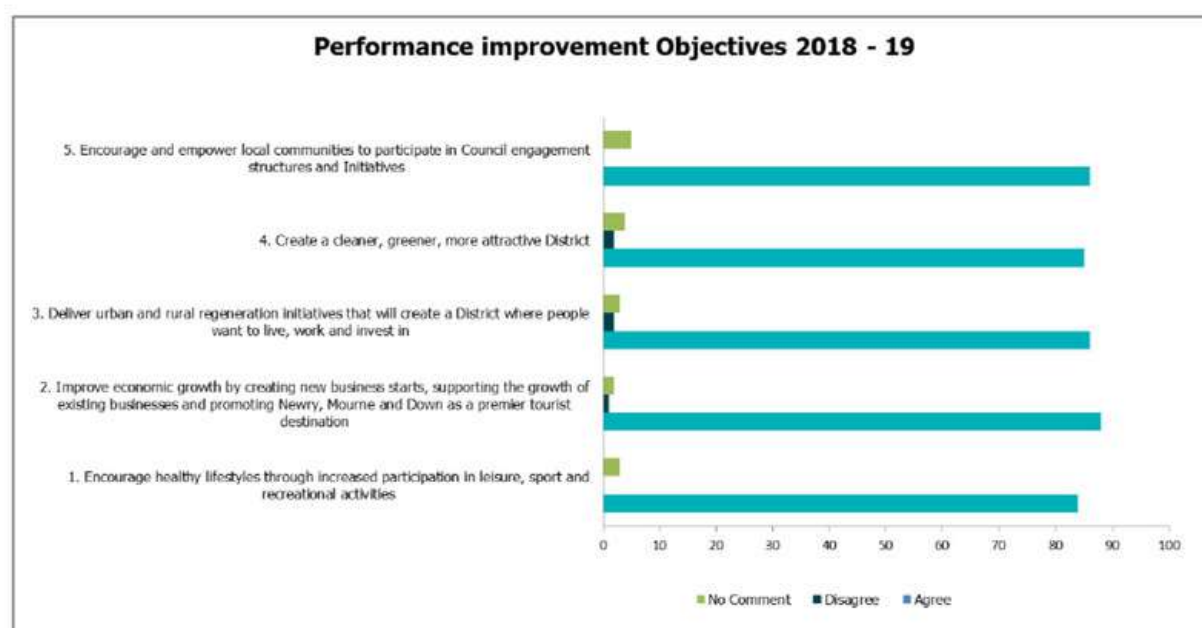
In addition, the Council engaged approximately 80 stakeholders, including Elected Members, representatives from the business, voluntary, community and statutory sectors, statutory and community planning partners, as well as Section 75 groups through the meetings outlined below.

Meeting	Date and Venue
Strategy, Policy and Resources Committee	15 March 2018, Downshire Civic Centre
Audit Committee	26 April 2018, Downshire Civic Centre
Rowallane DEA Private Meeting	23 March 2018, Market House, Ballynahinch
Slieve Gullion DEA Private Meeting	10 April 2018, Cullyhanna Community Centre
Downpatrick DEA Private Meeting	11 April 2018, Downshire Civic Centre
Newry and Mourne Older Persons Forum	24 April 2018, Newry Leisure Centre
Crotlieve DEA Private Meeting	24 April 2018, Warrenpoint Town Hall
Slieve Croob DEA Private Meeting	8 May 2018, The Lodge, Castletwellan

*Newry and Mourne Youth Council / Down Youth Council	27 June, Council Offices, Newry
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## Analysis of Findings

Overall, there was a very positive response to the five proposed performance improvement objectives 2018-19, with almost all respondents agreeing with each objective. This was similar to the outcome of the 2017-18 consultation and it is therefore recommended that the proposed performance improvement objectives 2018-19 are not subject to amendment.



## You Said, We Did

### 2017-18 - Feedback

As part of the process for developing the 'supporting actions' and 'measures of success' which underpin the performance improvement objectives 2018-19, the Council considered feedback from the 2017-18 consultation and engagement process which highlighted key issues around:

- The City Park in Newry
- More investment in coastal areas
- A better arts and culture scene
- Accessibility from rural to urban areas
- Preserving the history and heritage of Bessbrook
- Opportunities to engage young people

These issues will be addressed through the 'supporting actions' within the Performance Improvement Plan 2018-19, as outlined below:

- Consider options to progress the development of a Park at the Albert Basin in Newry
- Provide proposals to invest in the fishing dependent communities of Kilkeel, Annalong and Ardglass through the European Maritime and Fisheries Fund
- Address the skills gap between education and employment
- Develop an Arts, Culture and Heritage Strategy to increase participation in cultural activities
- Improve accessibility to Council facilities by working in partnership with Translink and Newry BID to pilot a night time bus service from Newry City to Crossmaglen and Kilkeel
- Secure funding to progress the regeneration of the Derrymore demesne through a play area, trail development, interpretation and other infrastructural projects
- Positively engage minority groups in Council initiatives, including young people, older people and people from black and minority ethnic communities

## 2018-19 - Feedback

An analysis of the results of 2018-19 consultation and engagement process indicate that many of the issues raised will be addressed through the proposed performance improvement objectives, 'supporting actions' and 'measures of success', or as part of the Council's business planning process.

However, based on the consultation and engagement feedback and the ongoing work in developing and refining the performance improvement objectives, the following amendments have been recommended to the 'supporting actions' and 'measures of success':

### Performance Improvement Objective 1

- Engage children and young people in Community Play *and other health and wellbeing initiatives* across the District
- *Through the Play and Leisure Partnership*, produce a multi-stakeholder Activity, Promotion and Development Plan, which maps out the provision of physical activity across the District, suitable for all ages and abilities
- Inclusion of targets for attendances at indoor leisure facilities

### Performance Improvement Objective 2

- *Total estimated spend associated with the Giant Adventure festivals, including direct spend*

### Performance Improvement Objective 3

- *Work with the Department for Communities to commence the delivery of the environmental improvement scheme in Downpatrick and the revitalisation schemes in Newry and Warrenpoint*

### Performance Improvement Objective 4

- Inclusion of statutory recycling and landfill targets

## Suggested Areas for Improvement

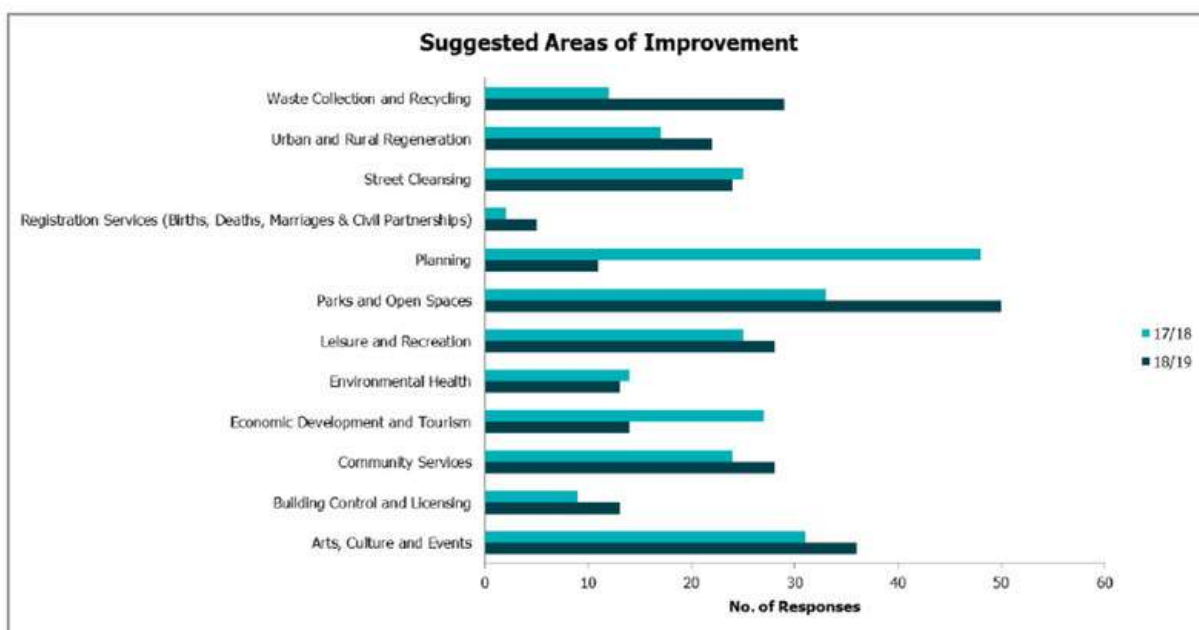
As part of the survey, respondents were also asked to put forward their suggested areas for improvement for 2018-19. An overview of the results is outlined below:

The suggested areas which most need improving are as follows:

- Parks and Open Spaces
- Arts, Culture and Events
- Waste Collection and Recycling
- Community Services

The suggested areas which least need improving are as follows:

- Registration
- Planning
- Environmental Health
- Building Control and Licensing



## Next Steps

Whilst no amendments to the five draft performance improvement objectives 2018-19 are being suggested, this report includes recommendations to amend and expand some of the 'supporting actions' and 'measures of success' which underpin each objective. These recommendations are based on the feedback obtained through the consultation and engagement process, as well as the ongoing developmental work around each performance improvement objective 2018-19.

## Overview of Consultation and Engagement Feedback

Performance Improvement Objective 1 Encourage healthy lifestyles through increased participation in leisure, sport and recreational activities	
Rowallanne DEA Private Meeting	<ul style="list-style-type: none"> <li>• There should be improved promotion and use of the conference and meeting facilities in Newry Leisure Centre.</li> <li>• Public transport from rural areas to urban centres should be improved, such as Killyleagh to Downpatrick Leisure Centre/town centre.</li> </ul>
Slieve Croob DEA Private Meeting	<ul style="list-style-type: none"> <li>• An issue was raised in relation to Sport NI funding through the Financial Assistance Scheme. 26 community groups passed the application process but have not been awarded funding, as this theme was over subscribed. This demonstrates that there is a clear demand for funding towards community sports projects which will have a positive impact on the health and wellbeing of local communities. The allocation of Council funding towards the respective financial assistance schemes therefore requires further consideration, in order to reflect community planning outcomes and public demand.</li> </ul>
Slieve Gullion DEA Private Meeting	<ul style="list-style-type: none"> <li>• There is a need to manage expectations around the park in Newry City, particularly in relation to the overall cost and available external funding. The City Park should not be progressed at the expense of development projects in rural areas.</li> </ul>
Older Persons Forum	<ul style="list-style-type: none"> <li>• The water in Newry Leisure Centre is too cold for older people, children and babies.</li> </ul>
Summary of Survey Responses	<ul style="list-style-type: none"> <li>• The Albert Basin Park should be developed in Newry.</li> <li>• There should be walking activities and trails across the District, including coastal areas.</li> <li>• Newry Leisure Centre is a great asset and Kilkeel Leisure Centre should offer more programmes.</li> <li>• The Council should give more commitment to Newry Rugby Club.</li> <li>• Warrenpoint does not have a leisure centre, community centre or swimming baths.</li> <li>• There should be more emphasis on non physical activities which have a positive impact on mental health, and could incorporate the Council's initiatives around arts, culture and community development. Suggested amendment: 'Encourage healthy lifestyles through increased participation in activities that enhance physical and mental wellbeing'.</li> <li>• Volunteering has a positive impact on health and wellbeing and</li> </ul>

	<p>those who volunteer are more likely to be involved in health and leisure related activities. Volunteering reduces social isolation and those who volunteer are more likely to have a social support network.</p> <ul style="list-style-type: none"> <li>• Volunteer Now has developed a programme to encourage socially isolated older people to become more involved in West Belfast, and a similar model could be developed in Newry, Mourne and Down. Volunteer Now also supports mobile volunteering opportunities, particularly amongst older people and those with a disability, and the Walking Bus Scheme which was piloted in Newry last year was very successful. The Council should consider including 'volunteering' within this objective.</li> </ul>
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### Performance Improvement Objective 2

Improve economic growth by creating new business starts, supporting the growth of existing businesses and promoting Newry, Mourne and Down as a premier tourist destination

Rowallanne DEA Private Meeting	<ul style="list-style-type: none"> <li>• Smaller towns tend to be neglected in terms of tourism and investment.</li> <li>• More information should be promoted and publicised regarding the Social Economy Programme and the level of support which is available to social enterprises.</li> </ul>
Slieve Gullion DEA Private Meeting	<ul style="list-style-type: none"> <li>• Slieve Gullion has a lot to offer in terms of tourism and it is positive that additional tourism events have been identified across the DEA. More funding and investment to build on the success and cultural heritage of the area would be welcomed.</li> <li>• Feedback indicates that residents would be willing to pay an entry fee to popular events, such as the Halloween Festival in Slieve Gullion Forest Park, which was a huge success in 2017.</li> <li>• The toilet block in Slieve Gullion Forest Park is a welcome and necessary facility, given the popularity of this local attraction.</li> <li>• It is positive that the Council is proactively trying to access funding for the Derrymore Demesne project in Bessbrook.</li> <li>• Camlough Lake has huge potential as a water sports hub in Slieve Gullion. More should be done to promote Camlough Lake as an outdoor attraction, particularly in relation to the triathlon and potential inclusion of a range of family events. This would help attract visitors and create a 'buzz' around the area. Glamping pods should also be considered to support tourism initiatives around Camlough Lake.</li> </ul>

<p>Slieve Croob DEA Private Meeting</p>	<ul style="list-style-type: none"> <li>• It is positive that the SEAFLAG programme will deliver investment in coastal areas and communities over the next few years.</li> <li>• There is a need to ensure that villages and hamlets have access to development land, which should be considered through the Local Development Plan.</li> <li>• Major festivals should be used to raise awareness and signpost visitors to other attractions across the District, such as Castlewellan Maze and Arboretum. This would help establish and strengthen links between the various visitor attractions in each area and contribute towards the development of tailored experiences for specific geographic locations and target audiences, such as the family market and young professionals.</li> <li>• There is a need to improve the tourism signage to the various visitor attractions, including Dundrum Castle, which would also help raise awareness, as well as visibility, of the many attractions the District has to offer.</li> </ul>
<p>Summary of Survey Responses</p>	<ul style="list-style-type: none"> <li>• The Council should consider ways to support educational establishments and businesses to boost skills supply and demand to create quality local jobs and build adaptable local economic strategies and systems.</li> <li>• Vocational education and training is the learning pathway to equip people with the knowledge and competencies required in the labour market, for the jobs identified in the NI Skills Barometer and to enable us to meet the outcomes within the draft Programme for Government.</li> <li>• Facilities around the Lecale Coast should be improved to attract more tourists. The area would benefit from better public conveniences, picnic areas and water activities.</li> <li>• There should be more multi-use outdoor spaces and events across the District. Local events should also receive more support as they encourage civic pride and improve good relations locally.</li> <li>• Volunteering makes a positive contribution to skills development and links with employability. There is increased understanding of how the skills acquired through volunteering, such as communication, confidence and teamwork, can enhance workplace skills.</li> <li>• Volunteer Now has witnessed an increase in the number of employers wishing to access quality volunteering opportunities for staff, recognising the dual benefits that volunteering can have on the economic sustainability of businesses and the sustainability of those supported.</li> <li>• Volunteer Now would welcome links within the Skills Forum to volunteering and how it can support educational pathways and employability.</li> <li>• Volunteers have a role to play in developing the tourism</li> </ul>



	<p>economy and supporting major festivals, as it helps to enhance a sense of community.</p> <ul style="list-style-type: none"> <li>• High business rates force entrepreneurs to operate outside Newry City Centre.</li> <li>• The derelict sites in Downpatrick should be used to support tourism and generate income.</li> <li>• The Council should provide more support for small businesses, especially in Newry City.</li> <li>• There should be more apprenticeships for young people.</li> <li>• There have been difficulties in getting planning permission for the Viking Village in Ballyduggan which will enhance local tourism and the local economy.</li> </ul>
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### Performance Improvement Objective 3

Deliver urban and rural regeneration initiatives that will create a District where people want to live, work and invest in

Rowallane DEA Private Meeting	<ul style="list-style-type: none"> <li>• The bus service for rural areas around Downpatrick, particularly Killyleagh needs to be improved. Concerns were raised regarding the budget cuts recently announced by Translink.</li> </ul>
Slieve Gullion DEA Private Meeting	<ul style="list-style-type: none"> <li>• The night time bus pilot between Newry and Crossmaglen is positive and welcomed.</li> <li>• There is an issue regarding the final phase of the Forkhill Masterplan, particularly in relation to a potential housing development within the greenspace. The proposed development would appear to suggest that people will use the greenway to walk around houses.</li> </ul>
Crotlieve DEA Private Meeting	<ul style="list-style-type: none"> <li>• Further emphasis could be placed on the coastal shore in Warrenpoint, perhaps as a programme of work progressed through the Crotlieve DEA Action Plan, and aligned to the South East Masterplan.</li> </ul>
Slieve Croob DEA Private Meeting	<ul style="list-style-type: none"> <li>• It is important for residents to be able to access Council and other public services and facilities through public or community transport, including the new Downpatrick Leisure Centre. The Down Senior Forum is meeting Translink to discuss a potential pilot transport service between Ballykinler and Clough to improve overall accessibility for local residents.</li> </ul>
Older Persons Forum	<ul style="list-style-type: none"> <li>• The paths in Newry and Warrenpoint are slippery in wet weather which is hazardous for all residents, particularly older people. Some slabs are also cracked and broken, and should therefore be replaced or resurfaced.</li> <li>• Vehicles are parked on footpaths which is dangerous and has</li> </ul>

	<p>an impact on accessibility. This is particularly prevalent in Newry City, with security vans for the Northern Bank parking on the footpath around Oxfam on Hill Street. This issue has also been raised with the PSNI.</p> <ul style="list-style-type: none"> <li>• There was a lack of consultation on the regeneration of Warrenpoint Municipal Park.</li> <li>• The towpath is an excellent resource for the Council and the District, and is used frequently by older people. However, concerns were raised in relation to the fact that trees were cut down along the footpath to reduce anti-social behaviour. Whilst the removal of trees has helped reduce the level of dog fouling, this has negative implications for the environment.</li> <li>• The level of dumping is a growing issue around Clonallon Road and Clonallon Park in Warrenpoint.</li> </ul>
<p>Summary of Survey Responses</p>	<ul style="list-style-type: none"> <li>• Access to services and facilities should be improved for those with a disability.</li> <li>• Footpaths should be improved to provide better access to facilities and encourage people to walk as opposed to drive.</li> <li>• The processing time for planning applications is slow and the Planning Department should consider holding face to face meetings with unsuccessful applicants.</li> <li>• Rural areas are lagging behind urban areas and it is unfair that people in rural areas cannot build on their own land.</li> <li>• Community transport to access facilities across the District should be improved.</li> <li>• Suggested amendment: Deliver urban and rural regeneration initiatives that will create a District in which people want to live, work and invest’.</li> <li>• Rural areas are loosing shops and post offices and require better transport to urban areas.</li> <li>• There is a need to improve digital connectivity in rural areas.</li> <li>• Playgrounds need to be upgraded.</li> <li>• There should be more investment in Downpatrick.</li> </ul>

**Performance Improvement Objective 4**

Create a cleaner, greener, more attractive District

<p>Rowallanne DEA Private Meeting</p>	<ul style="list-style-type: none"> <li>• The brown bin campaign has been a success but not all households in the DEA currently have a brown bin.</li> <li>• Further clarification and promotion of what materials can be recycled in blue and brown bins is required.</li> <li>• Street cleansing remains a key issue for residents. Community groups and volunteers in Saintfield have been proactive in carrying out litter picks and local clean-up campaigns, which has helped to improve the cleanliness of the local environment. This good practice should be rolled out elsewhere.</li> </ul>
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Slieve Gullion DEA Private Meeting	<ul style="list-style-type: none"> <li>Littering is a key issue across the District, with too many people dumping and fly tipping illegally. There is a need to lobby for legislation around anti-littering and fly tipping, as a small fine does not act as a real deterrent for perpetrators.</li> </ul>
Slieve Croob DEA Private Meeting	<ul style="list-style-type: none"> <li>The Council should be more proactive in supporting community groups with litter picks and encouraging more groups and individuals to participate. There is currently an issue around accessibility to litter picking equipment and getting the bags collected, and it was suggested that the Council should allocate specific community centres across the District with equipment. Community groups could borrow this equipment on a continuous basis, which would improve street cleanliness and community ownership over the local environment, whilst encouraging civic pride. In doing so, community centres could support the development of a schedule of activity to promote and facilitate litter picks in a particular area, linking in with the respective caretakers.</li> <li>Litter picking could also potentially feature as part of the Neighbourhood Services initiative.</li> <li>Strengthening community involvement in litter picking would enable the Council to engage groups which are not interested in 'filling in forms' to apply for the 'Down Your Street – Live Here Love Here' programme.</li> </ul>
Summary of Survey Responses	<ul style="list-style-type: none"> <li>The public should take more responsibility for street cleanliness and dumping. Dog fouling remains a key issue.</li> <li>'Greener' does not touch on the quality of the local environment, some of the District's biodiverse areas are not considered to be 'green', and the term 'attractive' is very subjective. Suggested amendment: 'Create a clean, green high quality environment'.</li> <li>Volunteering opportunities within the environmental field are very important as they encourage people to make a real difference in their local areas and generate a sense of community ownership. Volunteer Now can support the Council in encouraging 'public participation' in environmental campaigns and has already well established links with the National Trust, Mourne Heritage Trust and the Ring of Gullion.</li> <li>The Council should push for public participation in protecting the environment through clean up campaigns, which would help reduce issues around littering and vandalism.</li> <li>Household Recycling Centres need to be more accessible, especially on back holidays.</li> <li>There should be more litter bins and a better system to enforce litter fines.</li> <li>The towpath has been well cleaned up and now requires toilet facilities for users.</li> </ul>

<b>Performance Improvement Objective 5</b>	
<b>Encourage and empower local communities to participate in Council engagement structures and initiatives</b>	
Slieve Gullion DEA Private Meeting	<ul style="list-style-type: none"> <li>• There is a need to access the 'silent majority' and those who do not actively engage with the Council and the initiatives it offers.</li> <li>• There are ongoing issues between the Travelling and settled communities in Dobson's Way, Bessbrook. The Housing Association continues to engage residents through the provision of a range of activities to address the issues. Many young Travellers are members of the Sacred Heart Boxing Club, and the Southern Trust continues to work with the Club to develop and deliver additional community engagement projects and initiatives.</li> <li>• There is a successful youth engagement programme in Cloughreagh which includes Black and Minority Ethnic Communities and is delivered in partnership with Community Restorative Justice (CRJ), addressing key issues around speed and road safety.</li> </ul>
Slieve Croon Private DEA Meeting	<ul style="list-style-type: none"> <li>• The 'In It to Win It' project in Slieve Croob was highly successful and enabled the DEA to establish links with more community groups. Whilst it was a good project and helped groups to avoid onerous 'form filling', there was only a small amount of funding available to support the project. Further consideration should be given to the funding available for 'In It to Win It', potentially allocating bigger pots of funding to specific themes and providing all participants with a token financial reward of £50-£100 for taking part.</li> </ul>
Summary of Survey Responses	<ul style="list-style-type: none"> <li>• Young people often feel they are judged and more investment is needed for dedicated physical spaces for young people.</li> <li>• This objective should refer to all engagement structures across the District, such as those which are facilitated through Government Departments, as the Council has a role to encourage people to get involved, even if it does not 'own' the specific structure.</li> <li>• Volunteering can improve physical, mental and emotional wellbeing. Many of the roles within the Council engagement structures are undertaken in a voluntary capacity and Volunteer Now would encourage the Council to develop a 'Volunteering Policy' to support the effective inclusion of volunteers within structures and the development of good practice in volunteer management.</li> <li>• Community groups need more support to be proactive and deliver community projects. The Planning Departments has requested that a group pay £831 in planning fees for a community garden which is unacceptable.</li> </ul>

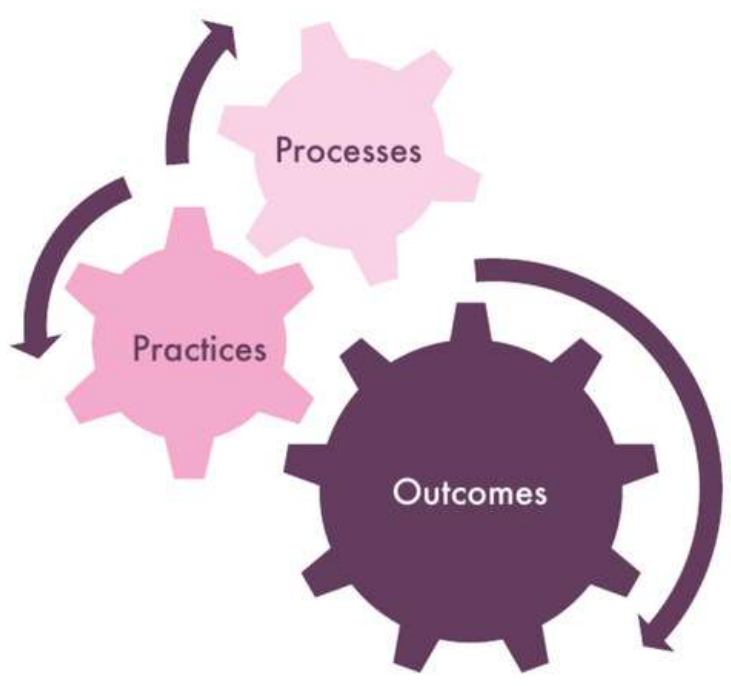
	<ul style="list-style-type: none"> <li>• More intergenerational work would be welcome and more people should have their say on Council initiatives.</li> </ul>
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<b>General Feedback</b>	
Downpatrick DEA Private Meeting	<ul style="list-style-type: none"> <li>• There is a deficit of social housing across the District and within the Downpatrick DEA, which has a negative impact on the rates base.</li> <li>• It is positive that the five performance improvements are directly aligned to the Downpatrick DEA Action Plan.</li> <li>• The 'supporting actions' appear to be weighted towards activity in the legacy Newry and Mourne District.</li> </ul>
Summary of Survey Responses	<ul style="list-style-type: none"> <li>• Volunteer Now would be interested in working with the Council to develop a strategic plan to support the development and integration of good practice in volunteer involvement and management throughout all its services. Volunteering touches all aspects of community life and whilst Newry, Mourne and Down has a strong community and voluntary sector there are more ways in which people can be involved as volunteers, accessing the social benefits that it can offer.</li> </ul>



# Performance management for outcomes

A good practice guide for public bodies







Northern Ireland Audit Office

# Performance management for outcomes

A good practice guide for  
public bodies

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Published 15 June 2018





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# Glossary

Term	Explanation
<b>Baselines</b>	This is a multi-year display of graphical data (e.g. for particular indicators) with two parts – an historical part which shows what has happened in the past and a forecast part that shows the future likely direction if things stay as they are.
<b>Indicators</b>	These are used to help quantify the achievement of an outcome and provide an insight into how well we are doing. So, for example, if the outcome is a safe community, a potential indicator could be 'prevalence rate of crime from the NI Crime Survey.'
<b>Outcomes Based Accountability (OBA)<sup>1</sup></b>	Outcome Based Accountability (OBA) is also known as Results Based Accountability (RBA) and is an approach to thinking and taking action to improve peoples' lives. It can be used both for strategic planning and for improving service or programme performance.
<b>Outcomes Framework</b>	An outcomes framework is quite simply an agreed set of outcomes and indicators that can demonstrate whether, and to what extent, an initiative has positively contributed to improving people's lives.
<b>Performance accountability</b>	This is about the well-being of client populations who receive a service from an agency or service provider. Accountability for the success, or otherwise, of a programme, service or project rests with those who provide it.
<b>Performance measures</b>	These are used to evaluate how well a service, project or programme is performing. Performance measures are categorised under the headings: "how much did we do?", "How well did we do it?", and; "Is anyone better off?"
<b>Population accountability</b>	A system or process for holding people in a geographic area responsible for the well-being of the total population or a defined sub population.
<b>Turning-the-curve</b>	This is the planning process used within OBA to turn talk into action. It is a seven-step method that explores baseline measurement information and invites stakeholders to explore the story behind the baseline; the partners needed going forward, and; the knowledge of what works to do better that in turn can inform action.

<sup>1</sup> The guide draws on the techniques set out by Mark Friedman in his book 'Trying Hard is Not Good Enough', which describes a range of practical techniques supporting an increased outcomes focus in public policy. The paper is not intended as a manual for Results Based Accountability™ (or Outcomes Based Government™ as it is also known) but, outlining the approaches used.

## Abbreviations

<b>ALB</b>	Arm's–Length Body
<b>NCB</b>	National Children's Bureau
<b>NEET</b>	Not in Education, Employment, or Training
<b>NIAO</b>	Northern Ireland Audit Office
<b>NIGEAE</b>	Northern Ireland Guide to Expenditure Appraisal and Evaluation
<b>NISRA</b>	Northern Ireland Statistics and Research Agency
<b>OBA</b>	Outcomes Based Accountability
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>PCSP</b>	Policing and Community Safety Partnerships
<b>PFG</b>	Programme for Government
<b>SEHSCT</b>	South Eastern Health and Social Care Trust
<b>QII</b>	Quality Improvement and Innovation

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# Part 1: Introduction

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## Part 1: Introduction

- 1.1 In 2014, the Northern Ireland Executive asked the Organisation for Economic Co-operation and Development (OECD) to provide an assessment of its public sector reform agenda. A key recommendation in its report published in 2016<sup>2</sup> was that the Executive should *'prepare and implement a multi-year strategic, outcomes-based Programme for Government (PfG) framed by a vision for Northern Ireland's people and its economy'*. In September 2016 the Executive launched a consultation on its Programme for Government<sup>3</sup>, setting out its intention to move the Programme to an "outcomes based approach".
- 1.2 An outcomes-based approach represents a fundamental shift in how Northern Ireland plans to deliver improvements in public services. It focuses on outcomes of societal wellbeing, rather than inputs, processes and outputs of public services, and requires a major cultural change in public bodies. Effective partnership working across all of government, in particular, will be key to the planning and delivery of improved outcomes.
- 1.3 The PfG framework provides an overview of the key strategic priorities for the Executive. To be effective, it must be underpinned by robust performance management arrangements in each of the public bodies that contribute to the delivery of the intended outcomes presented in the PfG.
- 1.4 The purpose of this Guide is to help public bodies implement this change, to manage performance to deliver better outcomes for citizens. It is not intended to be a "step-by-step" guide, but offers a framework for developing performance management processes. The Guide brings together best practice across all elements and stages of performance management drawn from local, national and international work relevant to the public sector in Northern Ireland. It is intended to complement current guidance, for example, the focus on outcomes is consistent with and reinforces the NIGEAE guidance<sup>4</sup> on how project objectives should be framed in a business cases. The guide provides an overview of the outcomes based approach, providing a framework for better planning and delivery of public services. The guide also includes a good practice self-assessment toolkit for use by public bodies (**Appendix 1**). The guide also provides two case study examples demonstrating the practical application of an outcomes based approach.
- 1.5 This is the first of a series of good practice guides designed to support the delivery of the new outcomes based approach in the draft Programme for Government. It will be followed by the publication of two further guides, on partnerships and on innovation.

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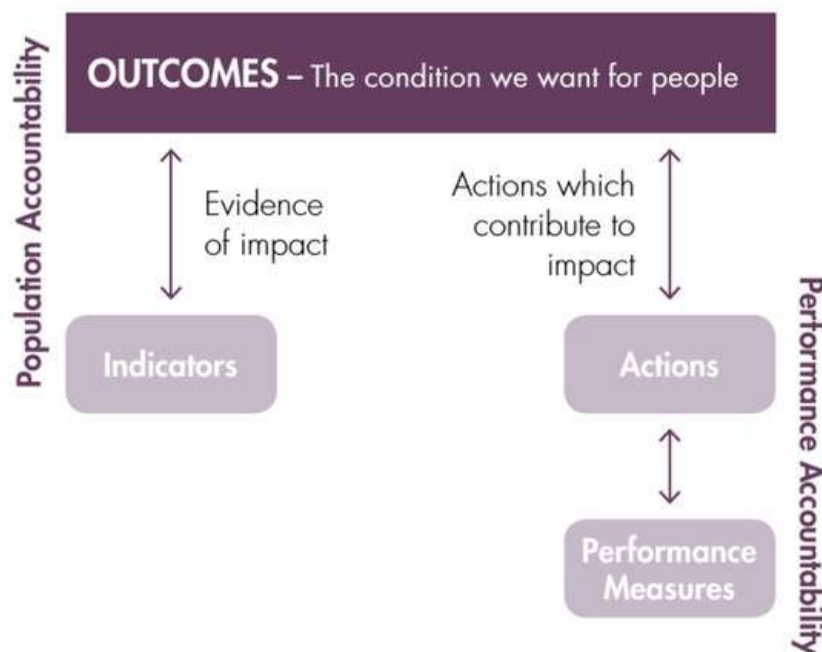
2 *Northern Ireland (United Kingdom): Implementing Joined-up Governance for a Common Purpose*, OECD Public Governance Reviews, OECD Publishing, Paris. OECD (2016)

3 <https://www.northernireland.gov.uk/consultations/programme-government-consultation>

4 *Northern Ireland Guide to Expenditure Appraisal and Evaluation (NIGEAE)*

### Programme for Government – context and accountability

- 1.6 The draft Programme for Government (PfG) and its supporting delivery plans set out desired outcomes of societal wellbeing and the things that need to be done to help realise those outcomes. Delivery of the Programme is dependent on strategic and cross-cutting work, with active involvement from stakeholders in every sector, aimed at tackling the biggest challenges facing society.
- 1.7 The chart below summarises the Executive Office overview of its outcomes-based approach to the PfG and shows the connections between outcomes, indicators, actions and performance measures. The following sections of this good practice guide are intended to help public sector officials identify the need for intervention, determine what is likely to have the best impact, monitor performance and make improvements.



Source: *The Executive Office*

- 1.8 **Appendix 2** contains the latest draft of the PfG framework consisting of 12 outcomes of societal wellbeing. Progress towards achieving these outcomes is measured primarily through a series of population-level Indicators. Progress towards outcomes is driven through Delivery Plans which analyse the available evidence about the current position and articulate the actions and interventions that government and its partners will use to



'turn the curve' and achieve long-term change. The impact of actions within Delivery Plans is monitored through performance level Report Cards which set out how much has been done; how well it has been done; and whether anyone is better off.

### **The PfG presents outcomes and indicators for the entire population of Northern Ireland**

These outcomes are effectively policy goals, the achievement of which will depend on the contributions made by a plethora of interventions and programmes. Therefore, no single programme or intervention can be held solely accountable for the achievement of any PfG outcome. Rather, it is the sum of the contributions of agencies, programmes and services that move us towards the realisation of outcomes for the population. And so those who plan or provide interventions are answerable for the extent to which their activities deliver the contributions promised (performance accountability) but not for the delivery of PfG outcomes (population accountability).

*Source: Inspiring Impact NI. (2017). Navigating Change. Belfast. Building Change Trust*

## Part 2: What is performance management?

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## Part 2: What is performance management?

### Performance management focuses on outcomes

- 2.1 Increasingly, public bodies are faced with delivering services with less money. In these circumstances, performance management is a key tool, integrated into policy-making and management processes to transform practices to focus on achieving improved outcomes for citizens. This includes reorganising and motivating staff to achieve better results.
- 2.2 Performance management requires an ongoing commitment to improve. Traditionally public bodies have measured outputs and inputs, efficiency and overall effectiveness. Such measurement and reporting is a critical component of performance management; however, measuring and reporting on their own have rarely led to organisational learning and improved outcomes. Effective performance management systematically uses measurement data to facilitate learning and improvement; to embed a focus on outcomes; and evidence improvement.

### Performance information provides the facts for leaders to act on

- 2.3 Better information enables elected representatives, leaders, managers and citizens to recognise success; identify problem areas; respond with appropriate actions; and learn from experience and apply that knowledge to better serve the public. A good framework of performance measures provides factual information used in making decisions for the planning, budgeting, management, and evaluation of public services, allowing citizens to see what they are getting for their money and enabling public bodies to assess if objectives are being met and learn how to achieve them more effectively and at a lower cost.

**Measures can inform decision makers on a wide variety of topics, including quantity and quality; efficiency and effectiveness; and impact. The performance information therefore needs to be accurate, timely and meaningful.**

- 2.4 When developing performance information it is important to keep things simple. Performance measures should add value: there is little purpose in developing large suites of performance measures, but it is important that the right measures are identified. Successful delivery of an outcomes-focused PfG depends on identifying the actions and interventions that will contribute best to delivering the desired outcomes.

# Part 3: The performance management process

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## Part 3: The performance management process

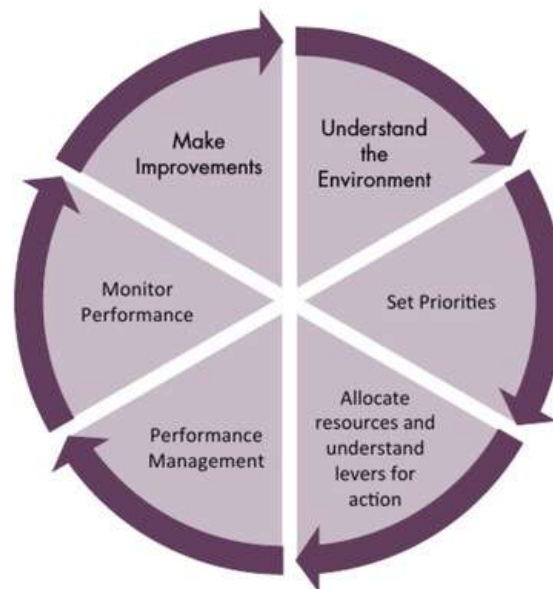
### Introduction

- 3.1 The PfG is designed to tackle the biggest issues facing society, and its ambition is to continually improve the things that matter most to people. Its aim is not short term, but rather is generational in nature, and this means that medium and long-term structures are needed in order to produce realisable delivery plans and to understand what needs to be monitored to stay on track. Importantly this process should be consistent and enduring and operate independently of political priorities. A robust management and reporting framework will underpin both civil service accountability to ministers for results, and accountability to the Assembly and the public for government's use of taxpayers' money.
- 3.2 In 2016 the National Audit Office published a report on the Government's management of its performance<sup>5</sup> that included a framework for strategic business planning and management at the centre of government, based on the standard management cycle and lessons from its work and from international good practice.
- 3.3 The framework operates in a cyclical way, with continuous feedback and adjustment. While the processes constitutes a cycle, each process typically operates on a different timeline. Planning may be medium to long-term, usually two, three, five, or more years. Budgeting, however, is usually short term, between one and three years. Government's management of its performance process is day to day. The PfG is a constant that spans all of this.

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<sup>5</sup> *Government's management of its performance: progress with single departmental plans*, NAO July 2016

## A framework for performance management



Source: Adapted from: 'Government's management of its performance: progress with single departmental plans' National Audit Office, July 2016

### Stage 1: Understanding the environment

3.4 Performance management begins with setting priorities that are relevant to PfG outcomes, taking account of stakeholders' needs and expectations. It provides a focus for the public sector's resources and establishes a direction of travel that will deliver results and provide the greatest contribution towards achieving the desired outcomes. Key principles on building lasting stakeholder relationships were identified by the Policy Champions Network in 2014<sup>6</sup> and are set out in **Appendix 3**.

**Officials and partners at all levels need to develop an understanding of the public's needs and expectations, including at a local level, and incorporate these into decision-making, by engaging with citizens about what they want and need from the service provided.**

3.5 Public bodies need a deep understanding of the legal, political, technological, economic and operating context within which they must achieve their objectives. Public bodies have a range of statutory obligations, while political commitments change

<sup>6</sup> Policy Champions Network 2014 <http://toolkit.creativityni.org/documents/stakeholder-engagement-guidelines.pdf>

with each Assembly and new ones also arise frequently. Strategic planning should systematically address the organisation's purpose, internal and external environment, and value to stakeholders, and it should be used to set long-term aims. In addition to setting direction, performance-driven strategic planning enables the Assembly to evaluate performance in relation to objectives, so information on past performance can inform and help improve future performance.

## Stage 2: Setting priorities

- 3.6 The Executive sets the direction of government through the PfG, based on its understanding of the challenges it is trying to address and the outcomes it wishes to see; the existing constraints on its ability to act; and the options it has to address those challenges.
  - 3.7 The fundamental concept underpinning the PfG represents a shift away from a traditional focus on inputs and outputs towards a focus on outcomes. This requires government to develop a performance management regime that supports collaboration, driving work across boundaries between organisations in the public, voluntary and private sectors and with community groups at all levels. It also requires attitudinal change and a re-positioning of resources in support of efforts to achieve the desired outcomes.
  - 3.8 Successful delivery of the PfG will depend on prioritising the things that matter. Focusing on actions that evidence suggests will, if achieved, deliver substantially improved outcomes for citizens is better than pursuing a wide range of actions with no evidential justification. Pursuing too many actions simultaneously, particularly in an unfocussed way, dissipates an organisation's focus and energy and may create confusion over where the real priorities lie, making it difficult to differentiate between the things that are making a difference and those that are not.
  - 3.9 The PfG is the overarching strategic plan of the Executive. Progress towards it is driven through a suite of Delivery Plans that:
    - analyse the available evidence about the current position;
    - set out the issues to be addressed to make a difference;
    - identify the people and organisations that will be involved in achieving it; and
    - identify what will be done to make improvements.
-

**It is important that the PfG provides the essential starting point for the development of consistent business planning within departments and between departments. Delivery plans should not simply list activities but focus on outcomes.**

- 3.10 The key questions, '**How much did we do?**', '**How well did we do it?**', and, '**Is anyone better off?**' are very important. In this context, business planning is about the effective co-ordination of resources and activities across a department, in support of the PfG, delivering linked objectives. A departmental business plan should encompass not only what is to be achieved but how, taking into account the governance arrangements the department must establish for the proper discharge of its responsibilities, for example financial probity, statutory obligations, equality, human rights, etc.

**A comprehensive business plan, whether for a department or an ALB, should:**

- contribute to achieving the desired improvements in PfG outcomes and population level Indicators;
- secure the delivery of the commitments set out in PfG delivery plans;
- build the capacity of staff to work collaboratively and maintain a focus on outcomes;
- undertake essential service delivery;
- meet statutory obligations; and
- maintain good governance, financial management and internal support services.

**Stage 3: Allocating resources and understanding levers for action**

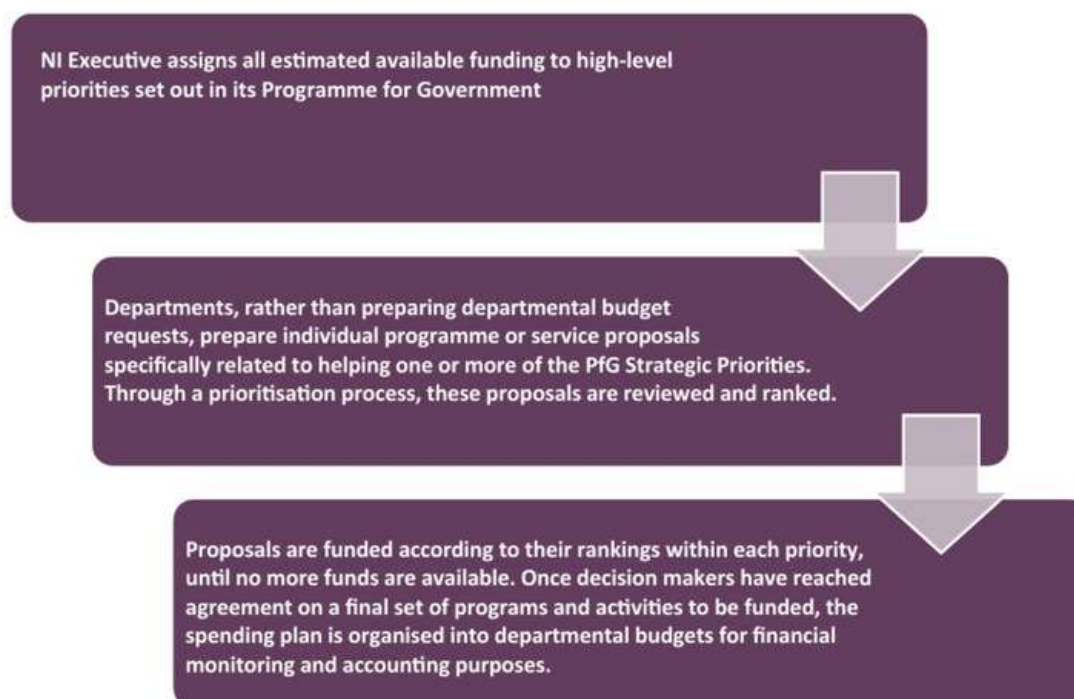
- 3.11 To move from high-level decisions about priorities to business planning, government must understand how the different levers for action available to it will affect the outcomes it is trying to achieve. This will include which stakeholders inside and outside government are involved and their contribution; how any change in delivery model will affect the resources needed; and the relative value for money of different options. The Executive, through the Department of Finance, drives the allocation of resources to programmes or projects and considers any trade-offs or prioritisation necessary.



Historically the government has operated through a process of budget allocation based on inputs and outputs. The PfG will require a new approach in order to move away from budgetary inputs (money, people, supplies, equipment etc.) and provide for better integration of financial plans, PfG delivery and departmental/Arm's-Length Body (ALB) business plans in support of PfG outcomes.

- 3.12 A basic principle of performance budgeting, in the context of a cross-cutting PfG, is that spending should be aligned with delivery plans which are designed in collaboration with partners in other organisations and sectors. **Case Study 1**, after Part 4 of this guide, provides an example of the increased collaborative arrangements across the South Eastern Trust and with its external partners. However, a significant barrier to this is that the existing arrangements for resource planning and control, as determined by the Government Resources and Accounts (Northern Ireland) Act 2001, are based around rigid departmental structures. This is an aspect that is currently being considered by Department of Finance in conjunction with the Executive Office. The figure below presents a potential model for delivery of outcome-based budgets for the PfG, offering a way around the department-by-department barrier to make a more direct link between funded activities and outcomes.

## Budgeting for outcomes – potential model for the Programme for Government



Source: NIAO, based on, *The Price of Government: Getting the Results We Need in an Age of Permanent Fiscal Crisis*. David Osborne and Peter Hutchinson (Cambridge, MA: Basic Books, 2004).

- 3.13 Progress towards such a budgeting model is not without significant challenges, including the agreement of the PfG ahead of any budget to which it will align; the practicality of arrangements for assigning funding and appropriate accountability arrangements; and the lead in time that will be required to prepare and rank programme bids. Furthermore any new framework will need ministerial endorsement and consideration.

### Stage 4: Performance management

- 3.14 Performance management provides the means through which strategic priorities are translated into meaningful results. This is achieved principally through an organisation's work processes and practices; its management and staff; and its work with external partners (including other public bodies) and other third parties such as the voluntary sector and private sector.

### Work processes and practices are key to delivering strategic priorities

- **Managing processes:** identifying and understanding end-to-end management processes creates a cross-cutting and process-oriented perspective, instead of the functional “silo” or departmental views. Alignment of people, processes and systems, coupled with performance management, creates the conditions for achievement.
- **Managing staff:** performance-driven human resource practices are focused on engaging and motivating employees to support achievement of results, through aligning PfG priorities with business plan objectives and with the personal objectives of individual staff. This is sometimes referred to as ‘the golden thread’. It is also important that staff at all levels should understand and be fully conversant with outcomes based accountability, and that the necessary training is in place to support this.
- **Managing relationships and partnerships:** with government departments, agencies and ALBs, and other sectors that can help achieve results.

- 3.15 Performance management frameworks, systems and measures are essential for the efficient and effective delivery of public services. However, performance management processes can only go so far. Establishing a robust performance management culture is essential to delivering meaningful improvements in public services. **Case study 1** at the end of Part 4 of this guide demonstrates at a practical level the key challenges for the South Eastern Health and Social Care Trust in embedding an effective performance management culture and successes it can deliver.

### Embedding an effective performance management culture

- Ministers and departmental senior officials share a common purpose and vision linked to the PfG, and everyone knows how their work contributes to priorities;
- departmental managers and staff monitor and manage their own performance and achievements;
- performance is reported regularly at all levels of the organisation;
- departments recognise and acknowledge where they are succeeding and where they need to deal with poor performance; and
- high standards of conduct and performance are expected and delivered.

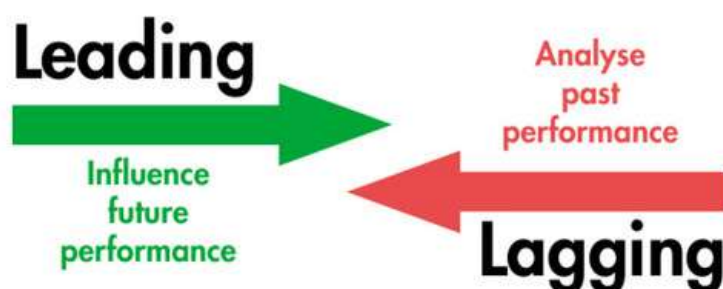
Source: Adapted from *Managing performance: are you getting it right?* Audit Scotland, 2012

- 3.16 The principles of performance management apply also to partnership working. Managing performance in a partnership is complex. Partners are likely to have different decision-making and accountability arrangements, organisational cultures, planning and performance systems. This can be de-stabilising and act as a brake on partnership performance. It is important that partnerships establish strong performance management arrangements as early as possible, to ensure partners have a shared commitment, understanding of priorities and the ability to measure the impact of the partnership.

### Stage 5: Monitoring performance

- 3.17 Effective performance measurement and reporting is essential to performance management. Performance information provides the facts for management to know if it is on track, or if it needs to take further action to correct and improve performance or, perhaps, cease ineffective actions. It also provides accountability to key stakeholders who ultimately provide the authority to spend public money: in the case of government; this means the Assembly, the Executive and the public. The information required to monitor performance is usually a combination of:

- **Inputs** (money and other resources);
- **Outputs** delivered and enabling actions achieved, as well as direct measures of outcomes;
- While specific targets for service levels or outcomes may not be desired, it is important to understand and communicate '**what success will look like**', so that any mismatch with expectations can be identified and corrected.
- For longer-term goals, both leading and lagging indicators may be needed to ensure performance is on track.



3.18 Part 4 of this guide considers performance measurement in more detail.

### **Stage 6: Delivering improvements**

3.19 Delivering improvement requires effective mechanisms to evaluate current performance and correct underperformance, if necessary. This may involve reallocating resources. Public bodies should also be prepared to review priorities and make changes if they are no longer valuable. For these reasons, an effective feedback loop is essential.

3.20 Learning and improvement is a continuous cycle. To support better service delivery, public bodies need to review programme performance regularly and provide information so that prompt corrective action can be taken if necessary. Openness to learning is essential. Poor performance should be recognised and analysed to determine its causes and the corrective action that needs to be taken. Success is rarely absolute and things do go wrong. When it does, it is important to avoid a blame culture if lessons are to be learned.

# Part 4: Performance measurement for outcomes

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## Part 4: Performance measurement for outcomes

### Performance measurement for outcomes

- 4.1 Performance measures provide the facts to support decision-making for the planning, budgeting, management and evaluation of public services. Measures can inform decision makers on quantity, efficiency, quality, effectiveness and the impact of services. Credible, timely performance data is essential for accomplishing desired outcomes.
- 4.2 The terms performance measures and performance indicators are often used interchangeably. However, there is a distinction. A performance measure is a quantifiable expression of the amount, cost or result of activities. By contrast, performance indicators provide a proxy where it is not feasible to develop a clear and simple measure.
- 4.3 Useful performance information depends on SMART<sup>7</sup> measures. Measures should be clear and concise and easy for anyone with no prior knowledge of the area to understand.

### Focusing on outcomes

- 4.4 The focus on outcomes is a fundamental shift in how public bodies plan to deliver services. The process begins with public bodies identifying the outcomes they would like to achieve for communities. Progress against achieving the identified outcomes needs to be monitored and measured using accurate data and appropriate indicators. Importantly having this data available enables the identification of baselines, historic trends and forecasts to inform those public bodies of measures that can be taken to improve outcomes for citizens.
- 4.5 Outcomes are the end result, the '**why**' an organisation is doing an activity rather than the '**what**' of the activity. It is important not to confuse activities with outcomes. In some cases the outcome measure can be straightforward because the objectives from a project or programme are easily identified. For example, a programme aimed at improving educational achievement will have outcome metrics already established, i.e. the standardised examination results achieved. However, other outcomes may be more difficult to measure.

*"Don't mistake **activity** as **achievement**"*

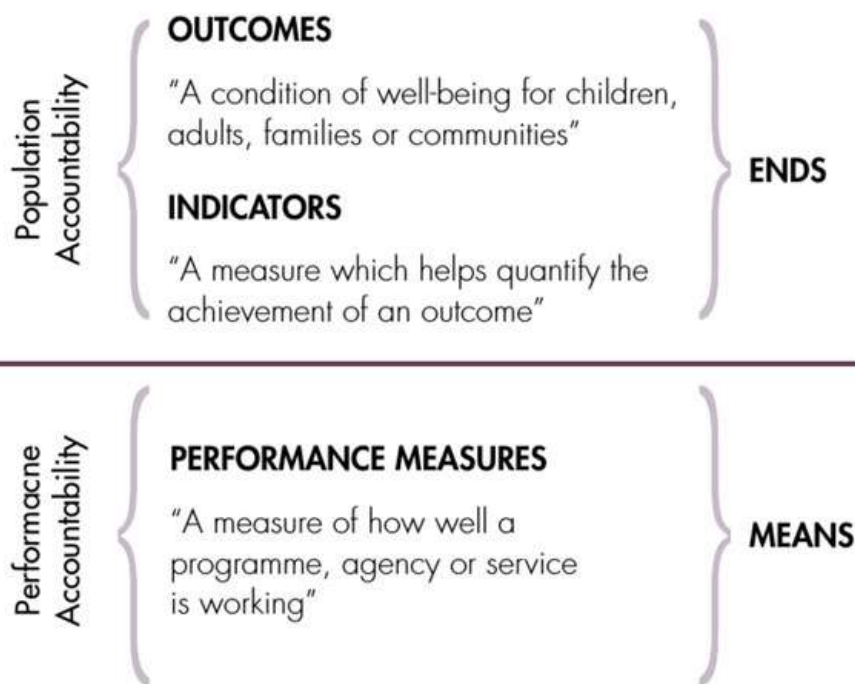
Hall of Fame basketball player/coach John Wooden

<sup>7</sup> Specific, Measureable, Achievable, Relevant and Time-bound

**Outcomes based accountability (OBA) focuses on impact, not quantity**

- 4.6 In order to understand the impact that actions have (**effect**), it is also important to show what is being delivered (**effort**). While it may be simple to describe what has been delivered, the question asked should be "so what?" OBA is an approach to structured planning, providing a framework for better planning and delivery of public services.
- 4.7 The OBA approach begins with the outcomes which public bodies would like to achieve for communities and enables a clearer distinction between population accountability and performance accountability<sup>8</sup>.

**Population and Performance Accountability defines Ends and Means**



Source: National Children's Bureau

8 Source: "Outcomes Based Accountability – What is it and how can NCB help you" National Children's Bureau, June 2016



## **Population Accountability focuses on the outcomes we want for our citizens and communities**

- 4.8 Population Accountability is a system or process for holding people in a geographic area responsible for the well-being of the total population or a defined sub population. At a regional/national level, these are the outcomes or the conditions of wellbeing that we want for our citizens and communities, such as a safe neighbourhood or a clean environment. These outcomes are population outcomes as they refer to whole populations of a city, region or country.
- 4.9 By their very nature, these outcomes will be quite broad and multi-faceted in nature, and cannot be achieved by a single organisation, service or programme working in isolation. Rather, it takes sustained and concerted action from many organisations, services and programmes and can only be delivered through effective partnership working across key stakeholders. At population level the planning process used within OBA is "Turning the curve" and is structured into the following seven Population Accountability Questions.

### **The Seven Population Accountability Questions:**

- 1. What are the quality of life conditions we want for children, adults and families who live in our communities?**
- 2. What would these conditions look like if we could see them?**
- 3. How can we measure these conditions?**
- 4. How are we doing on the most important of these measures?**
- 5. Who are the partners that have a role to play in doing better?**
- 6. "What works to do better", including no-cost and low cost ideas?**
- 7. What do we propose to do?**

## Performance Accountability focuses on the services and programmes delivered to citizens and communities

- 4.10 Performance Accountability is about the well-being of client populations who receive a service from an agency or service provider. Accountability for the success, of otherwise, of a programme, service or project rests with those who provide it. An OBA approach identifies seven *Performance Accountability Questions* which relate to assessing how well particular services or programmes perform and developing actions for service improvement. Each programme would typically have a set of performance measures which would relate to whether programme participants are any better off as a result of participating in the programme, e.g. how many programme participants on a job skills programme are in a job. **Appendix 4** contains additional analysis and guidance on the Performance Accountability Questions.

### The Seven Performance Accountability Questions:

1. Who are our customers?
2. How can we measure if our customers are better off?
3. How can we measure if we are delivering services well?
4. How are we doing on the most important of these measures?
5. Who are the partners that have a role to play in doing better?
6. What works to do better, including no-cost and low-cost ideas?
7. What do we propose to do?

### Three kinds of performance measures

- 4.11 Establishing robust performance measures is central to the OBA approach. Accountability for the delivery of a service, project or programme rests with those organisations providing it. Performance accountability looks at the actions that need to be implemented to effect a positive change. Performance measures need to be identified and established prior to commencement of a project or service to enable progress to be monitored and reported against the following three criteria.

### Key performance measurement questions

- **How much did we do?** The quantity of effort i.e. the number of citizens who benefit from a project or programme and number of core activities carried out);
- **How well did we do it?** The quality of effort i.e. timeliness of activities; attendance levels; satisfaction levels; cost per unit; adherence to standards.
- **Is anyone better off?** The impact on citizens benefiting from a project or programme i.e. changes in behaviour; shift in attitudes; changes in circumstances; increases in knowledge; and improvement in skills.

- 4.12 These three questions form the core of what should be measured for each action identified in the PfG. The OBA methodology places these questions in a grid in the basic format below. This performance accountability report card includes a summary of the various types of measures found in each quadrant and is a useful guide to choosing performance measures. Such performance measures should be reported on at least quarterly, or more regularly depending on the nature of the project or programme. Some useful examples of OBA "report cards" are at **Appendix 5**.
- 4.13 The upper left quadrant measures (**How Much Did We Do?**) are typically the number of customers and activities. These can be broken down by customer type or type of activity.
- 4.14 The upper right quadrant measures (**How Well Did We Do It?**) include a set of common measures that apply to many different programmes/projects and there are also activity specific measures. Each activity on the upper left quadrant will typically have measure(s) in the upper right quadrant that tell how well that activity is performed, for example percentage of participants completing course or percentage of action plans produced on time. Customer satisfaction should apply to all services. The 'did we help you' question can be placed in this upper right quadrant or in the 'Is Anyone Better Off' quadrants. **Case Study 2** at the end of Part 4 of this guide sets out how Policing and Community Safety Partnerships (PCSPs) have used an outcomes based approach in delivering their contribution to Programme for Government (PfG)

**Performance measurement framework**

	<b>Quantity</b>	<b>Quality</b>
<b>Effort</b>	<p><b>How much did we do?</b></p> <p>e.g. Customers served or activities completed</p>	<p><b>How well did we do it?</b></p> <p>Common measures: (e.g. % of staff fully trained; workload ratio; staff turnover rate; unit cost)</p> <p>Activity specific: (e.g. % on time; % fully completed)</p> <p>Activity specific: (e.g. % on time; % fully completed)</p> <p>Customer Satisfaction: % of customers who felt they were treated well)</p>
<b>Is anyone better off?</b>		
<b>Effect</b>	<p><b>Number (No.) who are better off</b></p> <p>Examples</p> <p>No. skills or knowledge (e.g. qualification)</p> <p>No. attitude or opinion (e.g. towards school)</p> <p>No. behaviour (e.g. attendance)</p> <p>No. circumstance (e.g. in work)</p>	<p><b>% who are better off</b></p> <p>Examples</p> <p>% skills or knowledge</p> <p>% attitude or opinion (e.g. towards school)</p> <p>% behaviour (e.g. attendance)</p> <p>% circumstance (e.g. in work)</p>

- 4.15 The lower two quadrants (**Is Anyone Better Off?**) almost always come in pairs of number and percentage, for example, the number and percentage of participants who gained a qualification. They will also almost always fall under the four dimensions shown. Skills and knowledge could include test scores, qualifications, training and similar ideas. Attitude and opinion measures could include personal ambitions or whether a service helped. Behaviour could include school attendance or housing residents paying rent on time. Circumstance might relate, for example, to employment or housing.
- 4.16 There is often a tension between quantity and quality. Better customer results could be achieved by reducing the number of people served but other measures will move in the opposite direction (unit cost for example). There is a balance to be found and choosing the right measures can help achieve this balance.

### **Understanding partnerships and collaborative working is key**

- 4.17 Effective partnership arrangements are at the heart of performance accountability and key to the delivery of effective outcome based programmes and projects. **Case Study 1**, after Part 4 of this guide, provides an example of the increased collaborative arrangements across the South Eastern Trust and with its external partners. Partnerships and collaborative working in government are not new, for example, local partnership initiatives designed to tackle and reduce drug-related crime. However, confusion over accountability is still an issue, with the police being held individually accountable for a high drug related crime rate or the Department of Health accountable for drug related health and social issues. The reality is that the police (for example) cannot eradicate such crimes on their own: only agencies and individuals working in partnership with the police can make inroads on indicators such as drug-related crime. At a service level, only working in partnership with service users and commissioners to co-produce service improvements will improve impact on users

**Population accountability is partnership planning to develop services that meet the needs of a defined population or area – performance accountability is partnership working with service users, commissioners and managers to improve impact of these services on users**

## Data quality is important

- 4.18 Data quality is important because public bodies need accurate and timely information to:
- manage services and accountability;
  - manage service effectively;
  - prioritise and ensure the best use of resources; and
  - report to stakeholders and citizens who will make judgements about performance and governance.
- 4.19 To ensure the successful application of an outcome-based approach, public bodies require quantitative and qualitative data to determine policy and programme performance. In its 2014 report the OECD highlighted a key role for the Northern Ireland Statistics and Research Agency (NISRA) in providing independent data underpinning the PfG<sup>9</sup>.

## Rigorous scrutiny supports continuous improvement

- 4.20 Audit provides an independent and objective check on systems, processes and performance. Internal audit teams are responsible for evaluating the effectiveness of internal control systems. These are the systems that help an organisation to use its resources economically, efficiently and effectively.
- 4.21 Audit and risk committees are a valuable independent check on a public body's financial and non-financial performance. They are typically charged with considering internal and external audit reports and checking that governance arrangements are sound. External audit and inspection also provides a useful source of information to help public bodies improve. Processes should be in place to consider findings and recommendations and how these can best be incorporated within existing improvement plans. External scrutiny, however, is not a substitute for strong governance and self-evaluation.

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<sup>9</sup> Northern Ireland (United Kingdom): *Implementing Joined-up Governance for a Common Purpose*, OECD Public Governance Reviews, OECD Publishing, Paris. OECD (2016)

## Avoiding perverse incentives

- 4.22 The risk of creating perverse incentives (see definition below) through the use of performance measurement is now widely acknowledged. Public bodies need to consider this risk when selecting and defining performance indicators. Examples of performance indicators and targets incentivising adverse behaviours are not hard to find: staff may leave patients in ambulances rather than admit them to accident and emergency units in order not to breach target waiting times; prioritising a reduction in crime or in some types of crime may lead some police officers to record a crime inappropriately or not at all. Decisions as to which performance indicators and targets to adopt may boil down to a consideration of two imperfect choices, both with a risk of perverse incentives, and choosing the one which can be managed most effectively.
- 4.23 Some work has already been conducted in this area, with a PfG Technical Assessment Panel (TAP) established to deal with the potential of perverse incentives (at population indicator level). The Panel considered the methodological and technical quality of the population indicators used in the draft PfG and consists of the NISRA Director of Analysis (chair); the Chief Economist; and a Principal Statistician from The Executive Office. Panel meetings are attended by a Policy Lead as well as the statistician responsible for the underlying data.

### ***Perverse incentive***

An incentive or target that has unintended and adverse consequences due to the actions undertaken to meet the incentive or target.

# Case Studies

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## Case Study 1

### South Eastern Health and Social Care Trust: Large-scale Implementation and Culture Change

#### South Eastern Health and Social Care Trust: Large-scale Implementation and Culture Change



South Eastern Health  
and Social Care Trust

The South Eastern Health and Social Care Trust (SEHSCT) has a clear focus on achieving better outcomes for its patients, service users and staff. The Trust has a strong culture of Quality Improvement and Innovation (QII) which is known and valued throughout the Trust by its 10,000+ staff. The introduction of Outcomes Based Accountability (OBA) in 2015 by the Trust as a framework, to support outcomes based planning and performance management, has complemented the existing culture of QII and outcomes based focus. The National Children's Bureau (NCB) provided clear structure and training on the OBA methodology which has been adopted and is now in use by a number of Directorates within the Trust including Children's Services, Adult Services and Prison Healthcare, and Primary Care and Older People's Services. Through implementation of the "Turning the Curve" approach within an OBA methodology, the Trust is evolving its outcomes based ethos to focus on the intelligent analysis of data to evidence outcomes on what works and how to improve the health & well-being of people in the area.

#### Key successes:

- Use of OBA as a methodology complements the Trust's QII approach and has become a key enabler within the new Trust Corporate Plan and Reform Programme to support Health & Well Being 2026: "Delivering Together" and evidence outcomes within the draft Programme for Government.
- Organisation-wide buy in to the approach has been achieved through strong leadership, multiple staff engagement sessions and the appointment of a number of champions to support the outcomes based way of working.
- Increased focus on outcomes through data and analysis to inform service planning and delivery.
- Helping the Trust to utilise "population" level data to better understand the needs of our patients and service users, address inequalities and target resources more effectively.
- Performance reporting of current service provision supported by data (quantitative and qualitative) to contribute to better outcomes.
- Enhanced collaboration within and across the Trust and with external partners and service users, creating opportunities for co-production.
- Patient journey is considered from the beginning to end rather than in separate elements within health and social care and related external organisations.
- Confidence in a framework to engage organisations such as Councils, other Government Departments, other Health organisations that also have a role to play in co-producing solutions to health needs and evidencing outcomes (Community Planning, Public Health Agency, NI Ambulance Service, Department of Health, Third Sector, Service Users and Carers).
- Knowledge and expertise from NCB provided appropriate levels of independent challenge and security to the process and resulted in key staff in the Trust becoming knowledgeable and skilled in OBA application.

#### Key challenges:

- Alignment of OBA with existing planning & performance mechanisms and traditional reporting requirements which are set regionally and nationally.
- Scale - large and complex organisation, with over 10,000+ employees, providing diverse range of services across hospital and community - whole system change and recognition that it will take time to embed and evolve outcomes based working.
- Data Development agenda and ability to find, create and maintain intelligent data sources in real time and ideally automated.
- Time and focus - pressurised and challenging operational environments within health and social care.
- Corporate approach to fully embed e.g. Population versus Performance approach, financial alignment.

Source: South Eastern Health and Social Care Trust

## Case Study 2

### Case study: Policing and Community Safety Partnerships (PCSPs) and their contribution to Programme for Government (PfG)

#### PfG Outcome 7: “We have a safe community where we respect the law and each other”



PCSPs are stand-alone independent statutory bodies established by the Justice Act (NI) 2011 and are made up of three different types of members - Elected Members, Independent Members and seven Designated Members (PSNI, NI Housing Executive, NI Fire and Rescue Service, the Education Authority, each of the Health and Social Care Trusts, the Youth Justice Agency and the Probation Board). PCSPs receive annual funding (£4.25m in 2018/19) from the Joint Committee (the Department of Justice and NI Policing Board) with a legislative aim to work with their local community to help address crime, fear of crime and anti-social behaviour issues. In order to align with the draft Programme for Government and Community Planning, along with recommendations from a report by the Criminal Justice Inspectorate in 2014, the Joint Committee began supporting PCSPs to use an Outcomes Based Approach (OBA) as a more consistent and better means of measuring impact and improving transparency and accountability in the delivery of their work in local communities.

The Joint Committee commissioned a programme of training and capacity building in 2016 from National Children's Bureau (NCB) to support the PCSPs to use the OBA methodology from 2017, both in planning activity and in demonstrating the impact of this on local communities. The Joint Committee also engaged with the Northern Ireland Statistics and Research Agency (NISRA) and NCB when drafting the PCSP Planning Guidance document which can be found via the link below. Whilst still early days, the PCSPs are now routinely using all aspects of OBA in their work, with an action plan being completed using indicator and performance measure information; a project card template being used for each initiative and thematic report cards being submitted to Joint Committee every quarter from a governance perspective. At a population level, PCSPs collate and scrutinise area-wide indicator trend data (examples of this can be found in the Planning Guidance) to help:

- Identify where the need is greatest in communities by using both quantitative data from PCSP Designated Members and qualitative data from all PCSP members and stakeholders to identify hotspot areas;
- Engage with partners to understand what is driving these community safety trends; and
- Take forward initiatives and projects that are most likely to make a positive contribution.

At a performance level, each programme of work is being evaluated using the three OBA questions; **How much did we do? How well did we do it?** and, most importantly, **Is Anyone Better off?** This information will help PCSPs, and in turn their local community, to understand the difference their work is making as using the OBA approach will enable future resources to be directed to where the need and impact is greatest. To support PCSPs in their transition to this new way of working, the Joint Committee has developed PCSP planning guidance which incorporates the following:

- Information on the OBA process;
- An action plan template which includes a review and summary synopsis to capture the rationale for continuing, amending or not progressing projects from one year to another;
- A set of agreed performance measures for generic projects;
- A project card template to be completed for each initiative;
- A thematic report card template to be used to help highlight impact at a more strategic level; and
- A framework showing how the work of PCSPs and their use of OBA supports the common Programme for Government Outcome 7 - We have a safe community where we respect the law and each other.

The PCSP Planning Guidance is available in the public domain on the Department of Justice Internet and will be reviewed and updated as the full transition to OBA progresses. The above guidance can be accessed using the following link:

<https://www.justice-ni.gov.uk/publications/guidance-pcsp-planning-2016-2019>

Source: Department of Justice



# Appendices

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# Appendix 1

## Good practice self-assessment toolkit

(Paragraph 1.4)

<b>Overall question: Is there a consistent, rigorous and open approach to performance management?</b>	
<b>Key features of good practice</b>	<b>Current position</b>
<p><b>Performance Management</b></p> <ul style="list-style-type: none"> <li>• Systematic monitoring and review ensures the organisation stays on track.</li> <li>• There is a culture of open debate and constructive challenge, with a focus on solutions rather than blame.</li> <li>• The organisation has helped to develop performance management for its key strategic partnerships.</li> <li>• This is robust, systematic and sustainable and is helping to deliver outcomes in line with priorities.</li> </ul>	
<p><b>Leadership</b></p> <ul style="list-style-type: none"> <li>• Leaders have a record of focused involvement in performance management through formal meetings.</li> <li>• Leaders make use of information to manage continuous improvement.</li> <li>• Scrutiny is outcome-focused, working within the framework of agreed corporate plans.</li> <li>• The leadership team have clearly defined roles in performance management.</li> </ul>	
<p><b>Monitoring &amp; Review</b></p> <ul style="list-style-type: none"> <li>• The organisation adjusts the frequency of monitoring and review of different performance information.</li> <li>• This takes account of risk and timescales for taking remedial action.</li> </ul>	

**Overall question: Is there a consistent, rigorous and open approach to performance management?**

Key features of good practice	Current position
<p><b>Prioritisation</b></p> <ul style="list-style-type: none"> <li>• There are strong mechanisms to help sustain the focus on priority issues, including 'shared priorities'.</li> <li>• The organisation has a track record of using performance management to help secure outcomes for the community that reflect its ambitions and priorities.</li> <li>• Performance management is integrated with the management of resources so that resources follow priorities whilst retaining the flexibility to respond to performance issues.</li> <li>• This happens within an annual cycle that is regularly reviewed and improved.</li> </ul>	
<p><b>Raising Concerns</b></p> <ul style="list-style-type: none"> <li>• There is a well-publicised, user-friendly and supportive system for service users and staff to submit complaints, grievances or representations.</li> <li>• The organisation takes seriously the need to respond to grievances and complaints about service delivery and deals with these in a timely way.</li> <li>• User focus is well understood and is a central driver of the organisational culture.</li> <li>• The organisation is open to external evaluation and challenge and makes effective use of opportunities to learn in this way.</li> </ul>	

# Appendix 1

## Good practice self-assessment toolkit

(Paragraph 1.4)

Overall question: Is there a consistent, rigorous and open approach to performance management?	
Key features of good practice	Current position
<p><b>Organisational Factors</b></p> <ul style="list-style-type: none"> <li>• Performance management is well embedded across the organisation.</li> <li>• Managers and staff focus on what is important, especially where performance is not meeting targets.</li> <li>• Performance management is seen as part of how people work and manage proactively rather than just monitoring.</li> <li>• Most senior officers set a strong example which cascades through the organisation.</li> <li>• There are strong links between the organisation's overall ambitions and strategic plans, through to service and individual plans, priorities and targets (including value for money targets).</li> <li>• Staff's, contractors' and partners' views of their own priorities are usually aligned with those of the organisation and they know how these contribute to delivery.</li> <li>• The organisation is self-aware about the strengths and weaknesses of its approach to performance management, and learns internally and from others.</li> </ul>	

**Overall question: Do the organisation and its partners know how well they and each other are performing against planned outcomes?**

Key features of good practice	Current position
<ul style="list-style-type: none"> <li>• Regular, robust and balanced intelligence and information about performance is sought and produced throughout the organisation and key partnerships.</li> <li>• The information produced is simple to access and understand, and is user-focused.</li> <li>• It includes financial, budgetary, quality of service and value for money information.</li> </ul>	
<ul style="list-style-type: none"> <li>• The organisation has a reasonable understanding of the level of importance and satisfaction that different sections of the community attach to its activities.</li> <li>• This is a key performance measure that is assessed and used to inform improvement priorities.</li> </ul>	
<ul style="list-style-type: none"> <li>• The organisation works pro-actively with its partners and other providers to compare and evaluate processes, costs and outcomes.</li> <li>• It uses comparison and benchmarking to increase its self-awareness and efficiency.</li> </ul>	
<ul style="list-style-type: none"> <li>• Service users, staff and other stakeholders are given opportunities to influence how performance is measured and monitored and what targets are set.</li> <li>• They have access to service standards and targets. The organisation reports information about its performance in a coherent and accessible fashion.</li> <li>• As a result, the organisation, the community and its partners have a good picture of how well the council is performing, especially against its ambitions and priorities.</li> </ul>	



# Appendix 1

(Paragraph 1.4)

## Good practice self-assessment toolkit

Overall question: Is knowledge about performance used to drive continuous improvement in outcomes?	
Key features of good practice	Current position
<ul style="list-style-type: none"> <li>• The organisation sets realistic but challenging targets for improvement in performance, linked to the management of resources.</li> <li>• The organisation allows time to monitor and compare performance information.</li> <li>• The organisation uses performance information to focus on priorities and takes effective action to address areas of identified under performance.</li> </ul>	
<ul style="list-style-type: none"> <li>• Cross-departmental working is well advanced and the corporate centre is able to coordinate this effectively through the performance management system.</li> <li>• The organisation considers the needs of its diverse communities in planning and delivering joined up services.</li> </ul>	
<ul style="list-style-type: none"> <li>• The organisation uses its knowledge about performance to solve performance problems at an early stage and this is widespread and systematic.</li> <li>• Information about poor performance and problems is used to inform decision making.</li> <li>• The organisation has a good understanding of the drivers of performance in all areas of activity to support this?</li> </ul>	

**Overall question: Is knowledge about performance used to drive continuous improvement in outcomes?**

Key features of good practice	Current position
<ul style="list-style-type: none"> <li>• The organisation uses knowledge from complaints and user feedback to drive improvement.</li> <li>• It is developing full access to these for the diverse communities served.</li> <li>• It also makes use of staff complaints and grievances.</li> <li>• It has challenge and review mechanisms that ensure a thorough understanding of levels of customer satisfaction and the drivers of performance in all areas of work.</li> </ul>	
<ul style="list-style-type: none"> <li>• The organisation makes good use of opportunities to learn from its own successes and failures, good practice within the organisation and in other public, private and voluntary sector organisations, its partners and the outcomes from external challenge or review.</li> <li>• The process of learning, both internally and externally, is viewed as a positive, constructive activity.</li> <li>• It is used to develop priorities and improve value for money.</li> </ul>	

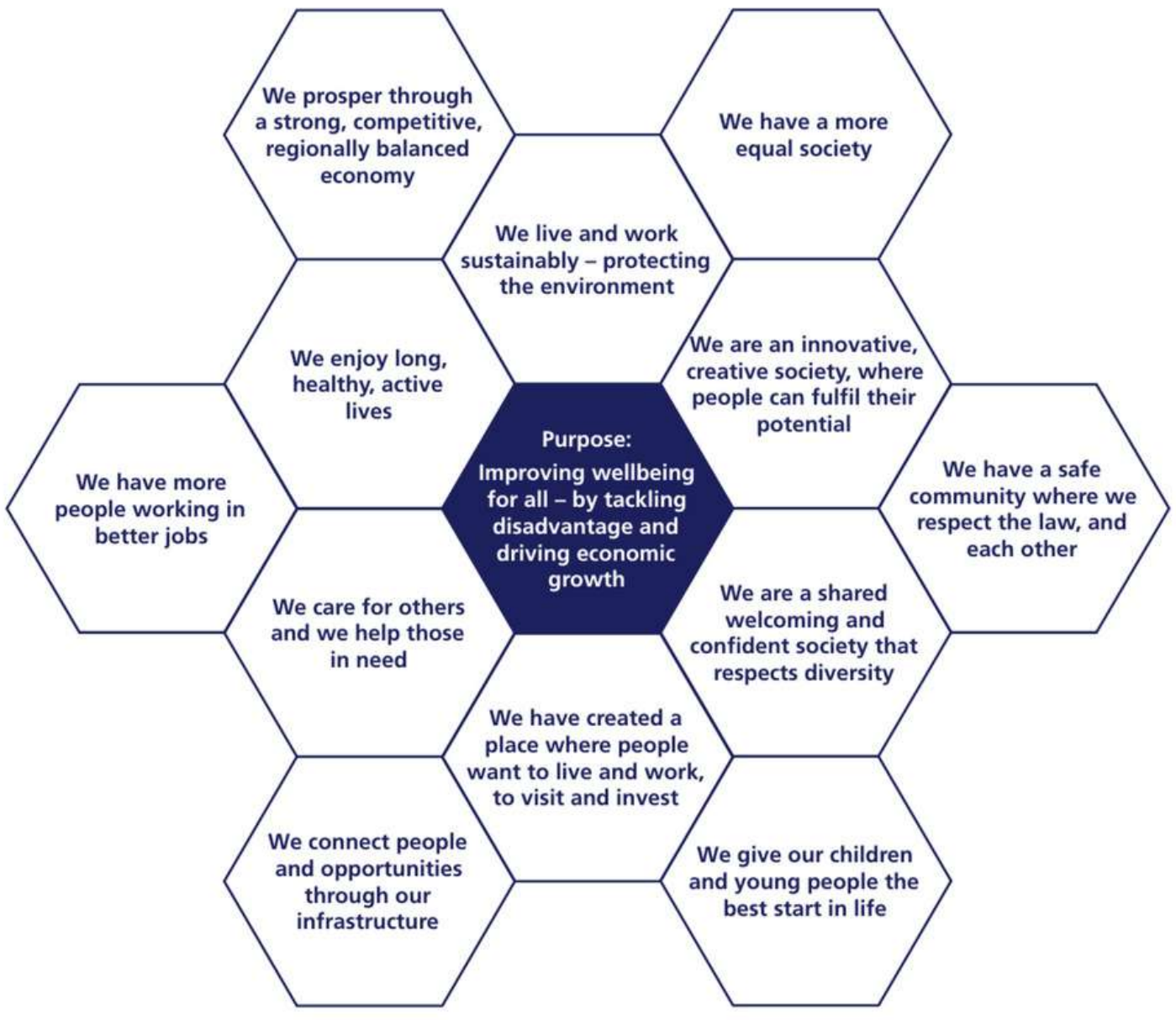
Source: NIAO adapted from the Audit Commission

# Appendix 2

(Paragraph 1.8)

## Programme for Government Outcomes Framework

### PfG Outcomes Framework



*These outcomes will be delivered through collaborative working across the Executive and beyond government and through the provision of high quality public services*

## Appendix 3

(Paragraph 3.4)

### Effective Stakeholder Engagement: Good practice guidelines

#### Principles of stakeholder engagement

Achieving the benefits of stakeholder engagement requires a commitment to the following guiding principles:

##### Timeliness

- Be proactive and engage as early as possible in the proposal development stage so that opportunities for stakeholders to influence the decision-making process are maximised.
- Allocate sufficient time to build relationships and trust with stakeholders. Adequate time should also be allowed for stakeholders to consult amongst themselves as part of the process of forming a view, in order that their contributions to any formal public consultation may be informed.
- Engagement should be ongoing throughout the policy development cycle.

##### Transparency, openness and clarity

- Have a clear engagement strategy and share this with your stakeholders.
- Clearly articulate your purpose, objectives and scope including any constraints; how and when stakeholders can input; and how you intend to use the results while managing expectations.
- Develop a culture of shared learning. There should be no hidden agendas but ensure confidentiality where appropriate.

##### Integrity

- Engage in a manner that engenders mutual respect and trust.
- Actively listen and show willingness to be open-minded.

##### Inclusivity and accessibility

- Equitably identify and involve stakeholders who are likely to be interested in, or affected by, your policy.
- Provide stakeholders with early, comprehensive and accessible information so that they can participate in a meaningful way.
- Ensure the methods of engagement used are accessible and suitable for those Section 75 groups from whom you are aiming to seek views.
- Ensure marginalised groups have the opportunity to engage.

### Proportionality

- Ensure your engagement strategy is fit for purpose. The scale of your engagement should be proportionate to its purpose, context and objectives.
- Actively engage with stakeholders listed in Departmental Equality Schemes but recognise that levels of interest and ongoing engagement will vary depending on the particular policy issue. It may therefore be necessary to target ongoing engagement with specific stakeholders to avoid 'consultation fatigue'.
- Tailor your approach to the particular needs of your project, particularly in relation to those limited in scope (i.e. of a specialist or a technical nature).
- To ensure effective use of resources, consider whether other teams within your department (and across other departments) could benefit from joined up working where there is a need to engage with similar stakeholders.

### Innovation and creativity

- Your engagement strategy should be managed but it should also be free enough to promote creative thinking.
- Embrace different perspectives as they will force you to think differently.
- Done correctly, collaboration can identify new opportunities, lead to innovative solutions and create value for everyone involved.

### Reciprocity

- Don't forget that stakeholder engagement is a two-way dialogue.
- Be responsive and ensure a continuous feedback mechanism is in place to facilitate engagement as an ongoing process and further strengthen the trust built up with your stakeholders.
- Communicate final decisions back to your stakeholders and demonstrate whether they have, or have not, influenced the outcome and why.

In putting these principles into practice, it is important to recognise that there is no 'one size fits all' approach when it comes to stakeholder engagement. There is a wide range of engagement methods and tools available and selecting those that are most appropriate will depend on a variety of factors such as the scale and scope of your project, the resources available and the needs of stakeholders.

Source: *Effective Stakeholder Engagement: Good practice guidelines*; Policy Champions Network 2014 (Extract)

## Appendix 4

(Paragraph 4.10)

### Seven Performance Accountability Questions

#### The seven questions in more detail

These seven questions should be asked regularly, for example at initiation or project board meetings. Of course, if a project is delivering successfully any action should be to continue but regular consideration of how, why and what is happening as a result should mean any issues are identified early and addressed. Change can happen through little events more easily than big shifts and these seven questions can support that process of small, positive changes.

1	<b>Who are our customers?</b>	Customers are the people whose lives are affected, for better or worse, by the actions of any programme or project. Many programmes have more than one customer group. It is helpful if you can distinguish between direct and indirect customers, primary and secondary customers, or internal and external customers.
2	<b>How can we measure if our customers are better off?</b>	Thinking about the report card design on the previous slide, these are lower right quadrant 'Is Anyone Better Off?' measures. If your programme or project does a really good job, how are your customers' lives better? Think about the most meaningful measures, whether or not data exists. Remember not to exclude measures because you don't fully control performance. Measures in this category will always be those for which you have the least control.
3	<b>How can we measure if we are delivering services well?</b>	These measures tell if the programme or project has performed well. Again, thinking of the report card design, these are upper right quadrant measures. These are usually about what staff do, how well the functions of the programme/project performed and customer satisfaction.
4	<b>How are we doing on the most important of these measures?</b>	Taking measures identified in the previous two questions around customers and service delivery, what are the three to five most important measures? These measures will provide a baseline and an indication of where you are heading if nothing were to change. Of course, if a project is new, you may not have any data but you will want to examine the current causes and forces which you hope to address and understand the causes behind those issues. Identify where you need new or better data, create a data development agenda and identify questions you need answered in order to fully understand the story behind the baselines.

# Appendix 4

## Seven Performance Accountability Questions

*(Paragraph 4.10)*

5	<b>Who are the partners that have a role to play in doing better?</b>	Consider internal and external partners and push beyond usual suspects in considering who might help improve performance.
6	<b>What works to do better, including no cost and low-cost ideas?</b>	Each cause points to an action that could address that cause and each partner has something to contribute. Consider any research about what works. Be creative and non-conventional and insist on no-cost low-cost actions.
7	<b>What do we propose to do?</b>	This is most important question. Potential criteria to identify the most powerful actions could be specificity, leverage, values and reach. Organise choices into a plan with a person responsible for each task identified, start and end dates and necessary resources.

# Appendix 5

## Examples of Outcome Based Report Cards

(Paragraph 4.12)

### Youth Diversion Project

<p><b>How much did we do?</b></p> <ul style="list-style-type: none"> <li>• Number of participants recruited to targeted intervention project.</li> <li>• Number of action plans agreed with participants.</li> <li>• Number of activities with participants delivered.</li> <li>• Number of hours contact time with targeted intervention participants.</li> </ul>	<p><b>How well did we do it?</b></p> <ul style="list-style-type: none"> <li>• % of participants in targeted intervention project completing action plan.</li> <li>• % of participants of targeted intervention programme who do not re-offend during the programme.</li> <li>• % reporting being treated well throughout the programme.</li> <li>• % reporting that the programme helped.</li> </ul>
<p><b>Is anyone better off?</b></p> <ul style="list-style-type: none"> <li>• Number of participants of targeted intervention programme re-offending within six months of end of programme.</li> <li>• Number of participants of targeted intervention programme moving into education, training or employment.</li> <li>• Number of prolific young offenders availing of other support interventions.</li> <li>• Number of participants gaining at least one qualification.</li> <li>• Number of young people with increased self-confidence (<i>NOTE: pre and post-test measure to be agreed with TEO, tender documents to ensure delivery agent includes this measure in tender application</i>).</li> <li>• Number of participants showing improvements in global metrics.</li> </ul>	<p><b>Is anyone better off? (%)</b></p> <ul style="list-style-type: none"> <li>• % of participants of targeted intervention programme re-offending within six months of end of programme.</li> <li>• % of participants of targeted intervention programme moving into education, training or employment.</li> <li>• % of prolific young offenders availing of other support interventions.</li> <li>• % of participants gaining at least one qualification.</li> <li>• % of young people with increased self-confidence (<i>NOTE: pre and post-test measure to be agreed with TEO, tender documents to ensure delivery agent includes this measure in tender application</i>).</li> <li>• % of participants showing improvements in global metrics.</li> </ul>



## Appendix 5

### Examples of Outcome Based Report Cards

(Paragraph 4.12)

#### Community Sports Centre

##### How much did we do?

- Number of people using the centre (people through the door).
- Number of young people (16-24 year old) using the centre (people through the door).
- Number of groups/organisations using the facility (per quarter).
- Number of staff employed in the centre.
- Number of hours the centre is used per week.
- Number of participants entering training by training type e.g. IT, employment, social enterprise.
- Number of volunteers helping in centre-based services.
- Number of hours of fitness/ activity based programmes delivered per week using the gym and sports hall.

##### Is anyone better off?

- Number of participants showing improved locus of control / self-efficacy / wellbeing (global metrics).
- Number of weight loss programme participants showing a decrease in body weight.
- Number of smoking cessation programme participants stopping smoking.
- Number of training participants gaining qualifications.
- Number of training participants who are young people (16-24) moving from NEET to training.
- Number of fitness class/sports hall/gym users reporting increase in wellbeing (six-monthly survey).

##### How well did we do it?

- % of people using the centre who are from outside the community.
- % of community attending healthy living programmes based in the centre.
- % of under 16s using the centre at least 2 hours per week.
- % of participants completing training courses.
- % of users who believe that they have benefited (been helped) from accessing the new centre.
- % of users who believe that they have been treated well when accessing the new centre.
- % of hours the centre is used against total possible programme hours.

##### Is anyone better off? (%)

- % of participants showing improved locus of control / self-efficacy / wellbeing (global metrics).
- % of weight loss programme participants showing a decrease in body weight.
- % of smoking cessation programme participants stopping smoking.
- % of training participants gaining qualifications.
- % of training participants who are young people (16-24) moving from NEET to training.
- % of fitness class/sports hall/gym users reporting increase in wellbeing (six-monthly survey).

## Acknowledgements

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Northern Ireland Audit Office

# The National Fraud Initiative: Northern Ireland





# The National Fraud Initiative: Northern Ireland





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K J Donnelly  
Comptroller and Auditor General

Northern Ireland Audit Office  
19 June 2018

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## Abbreviations

<b>BSO</b>	Business Services Organisation
<b>C&amp;AG</b>	Comptroller and Auditor General
<b>DfC</b>	Department for Communities
<b>DfI</b>	Department for Infrastructure
<b>DWP</b>	Department for Work and Pensions
<b>F&amp;C Ops</b>	Fraud and Compliance Operations
<b>GRO</b>	General Register Office
<b>HMRC</b>	Her Majesty's Revenue and Customs
<b>LPA</b>	Lone Pensioner Allowance
<b>LPS</b>	Land and Property Services
<b>NFI</b>	National Fraud Initiative
<b>NIAO</b>	Northern Ireland Audit Office
<b>NICS</b>	Northern Ireland Civil Service
<b>NIHE</b>	Northern Ireland Housing Executive
<b>NILGOSC</b>	Northern Ireland Local Government Officers' Superannuation Committee
<b>RTI</b>	Real Time Information
<b>SRO</b>	Senior Responsible Officer
<b>UK</b>	United Kingdom
<b>VAT</b>	Value Added Tax
<b>WURTI</b>	Wider Use of RTI



# Foreword

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## Foreword

Preventing and detecting fraud is an essential part of public business, to help ensure that limited funds for the provision of goods and services are properly directed to where they are needed and not siphoned off by fraudsters. Fraud is not a victimless crime; we all pay the price. Every public sector body must do what it can to prevent the abuse of public funds by those seeking to commit fraud.

Under statutory powers inserted in the Audit and Accountability (Northern Ireland) Order 2003 by the Serious Crime Act 2007, I undertake data matching exercises for the purpose of preventing and detecting fraud. These powers have strengthened the fight against fraud. The main data matching tool I use is the National Fraud Initiative (NFI).

This is the fifth NFI exercise to be undertaken in Northern Ireland. **I wish to publicly thank all those involved in the review and investigation of data matches for the essential work that they do.** Once again, that work has proved fruitful in identifying a significant level of fraud and error.

NFI outcomes in Northern Ireland stand at almost £35 million, representing current and past fraud stopped and potential future fraud averted. Nationally, outcomes from data matching through the NFI stand at over £1 billion.

I would encourage public sector organisations to come forward with proposals for further potential data matches that could help in the prevention and detection of fraud, in order to continue widening the scope of the NFI in Northern Ireland.

**Kieran Donnelly**

Comptroller and Auditor General

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# Executive Summary

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## Executive Summary

### The NFI facilitates cross-jurisdictional data matching

1. The National Fraud Initiative (NFI) is a major data matching exercise undertaken every two years. The fifth exercise to be undertaken in Northern Ireland has now been completed, with over 80 organisations from across central government, local government and the health sector participating.
2. The NFI compares data from over 1,200 organisations across England, Scotland, Wales and Northern Ireland in order to highlight inconsistencies which could indicate fraud.

### The commitment of participating organisations is crucial to the success of the NFI

3. Participating organisations in Northern Ireland must be commended for their continued commitment to the NFI. By adopting a measured, risk-based approach, organisations can ensure they get the most out of the NFI in the most efficient way.

### Outcomes to date show the value of data matching

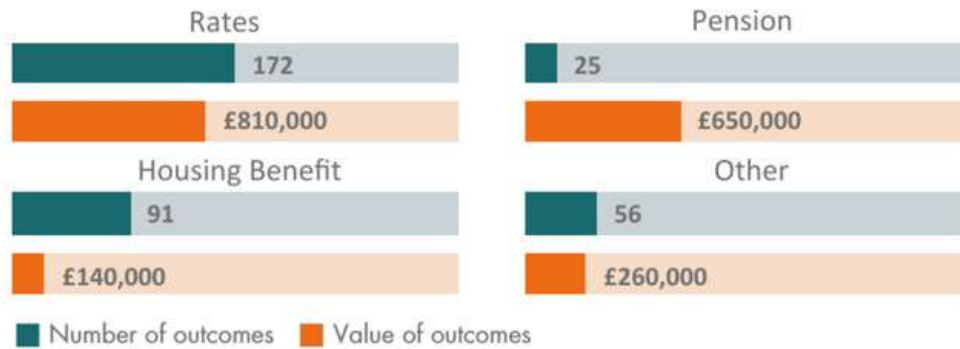
4. Total NFI outcomes<sup>1</sup> for the first five exercises in Northern Ireland are almost £35 million (see Appendix 1). Between 1 April 2016 and 31 March 2018, local participation in the NFI resulted in outcomes of almost £1.9 million (see Figure 1), including:
  - almost £814,000 of rates evasion;
  - almost £648,000 of pensions fraud and overpayments; and
  - almost £137,000 of housing benefit fraud and overpayments.
5. The outcomes comprise actual outcomes of just over £763,000 and estimated outcomes of around £1.1 million (see footnote 1).
6. The NFI also highlights duplication or inconsistencies in data which can be corrected by organisations, providing qualitative benefits and leaving bodies less vulnerable to fraud. This has been particularly important in Northern Ireland following major organisational change in both central and local government and the merging of payroll and trade creditor systems across organisations.

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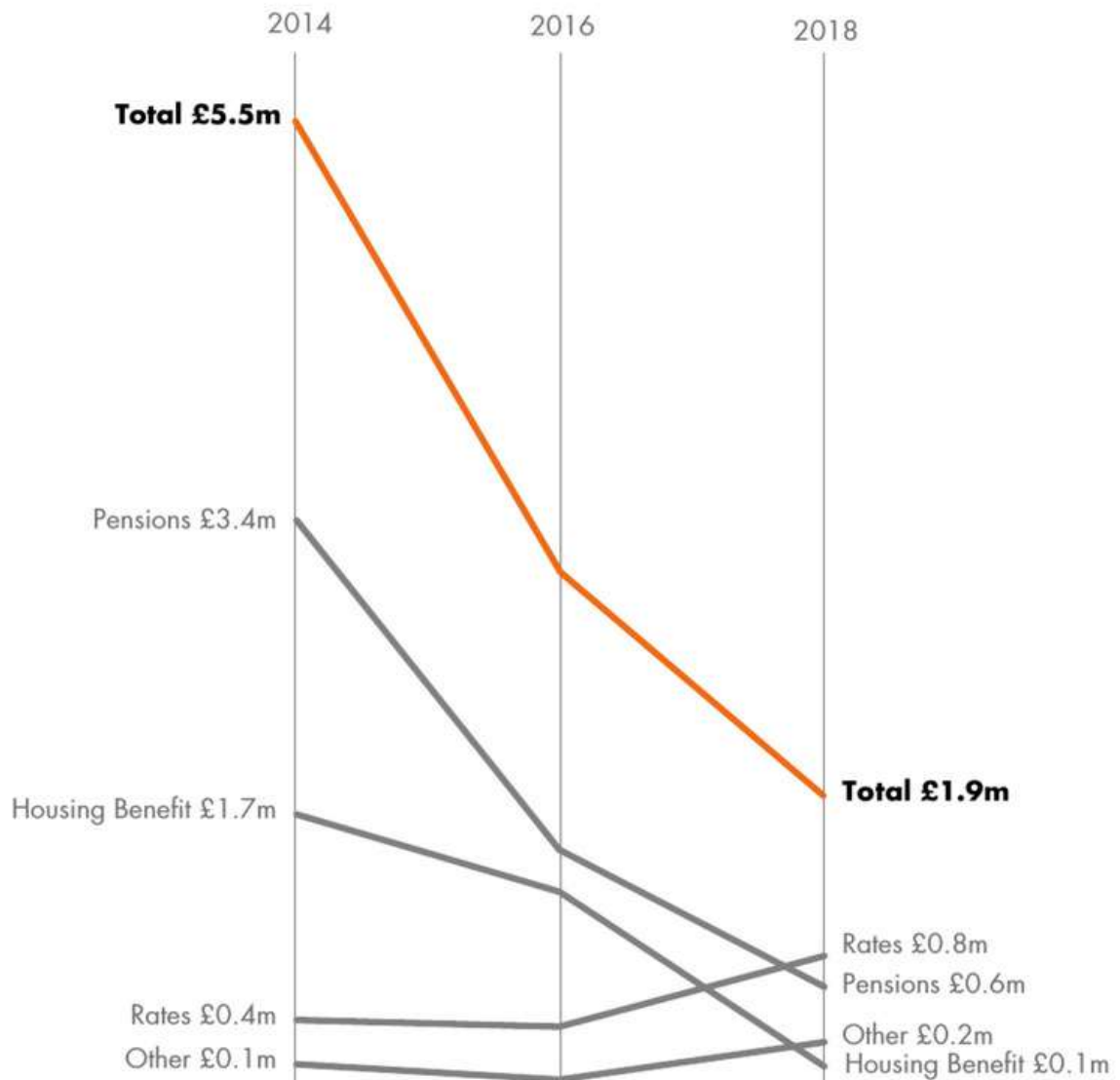
1 Outcomes include the value of incorrect payments (due to fraud or error) which are stopped, and an estimate of future savings achieved by no longer making these incorrect payments.

**Figure 1: Key outcomes from the fifth NFI exercise in NI**

The latest exercise resulted in **344 outcomes** totalling **£1.9 million**.



The total value of outcomes resulting from the NFI has decreased over the last three exercises



## Executive Summary

### Some organisations still investigate all their data matches even though this is not required

7. The Northern Ireland Audit Office (NIAO) monitors how participating organisations approach the NFI exercise, through examining data match reports on the secure NFI website and discussing issues with key personnel as appropriate.
8. Most participating organisations have now been through five NFI data matching cycles and have refined their approach, concentrating on high risk reports and recommended matches in order to use the NFI efficiently, taking account of their limited resources. However, some organisations are still over-investigating. **Organisations are not expected to investigate all matches but should base their work on a fraud risk assessment and knowledge of key local fraud risks.**

### Many participating organisations have embedded the NFI in their counter fraud work

9. There are a number of examples of good practice by individual organisations which clearly demonstrate that the NFI is a key part of their counter fraud arrangements:
  - One organisation has established an NFI steering group which meets about three times during the NFI process, with progress reports and a final outcomes summary reported to the Audit Committee.
  - In another organisation, NFI activity is monitored by way of a counter fraud target, with progress reported quarterly to the Audit Committee.
  - The Key Contact<sup>2</sup> reports directly to a Fraud Working Group within one organisation.
  - In another organisation, Internal Audit carry out a review of the NFI exercise as part of a wider review of counter fraud arrangements.

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2 The Key Contact is the person with primary day-to-day responsibility for the NFI within participating organisations.

## There is scope for improved practice by a number of organisations

10. Participating organisations should aim to be as efficient and effective as possible in how they use the NFI web application and process their matches, given their limited resources. The following are examples of how practice could be improved:
    - **There is no audit requirement to investigate all matches.** Some organisations continue to do so, but the level of investigation should be guided by a fraud risk assessment. Reviewing recommended matches plus a small sample of non-recommended matches should be sufficient.
    - Using the report comment facility within the NFI web application can save time, where the same comment applies to multiple matches. The report comment facility should also be used to briefly set out the approach being taken, e.g. in relation to selecting a sample of non-recommended matches for review.
    - Working offline is an inefficient way of working and should be kept to a minimum. Working within the secure web environment allows comments and outcomes to be entered directly rather than uploaded at a later date, and more importantly does not compromise the security of personal data.
    - The Key Contact should be an appropriate person for the role, for example the Head of Finance. Having an inappropriate person in the role, without the necessary authority or expertise to ensure proper processing of the NFI data matches, will hamper the effectiveness of the NFI within an organisation.
    - Reviewing and responding to queries from other organisations is an essential element of the NFI process. It allows investigations to be completed and fraud or error either confirmed or not. Key Contacts should monitor such queries and ensure that responses are being provided as appropriate.
-

## Executive Summary

### **New products, available as part of the NFI, aim to prevent fraud happening in the first place**

11. Ideally organisations should aim to prevent fraud and error entering their systems. Processes which are application-based lend themselves to real time data matching at the point of application. For example, information provided on applications for housing benefit, housing tenancies or rates relief can be matched with other relevant datasets, and any inconsistencies investigated and resolved, before the benefit, tenancy or relief is awarded.
12. AppCheck is an NFI product that can be used in this way by organisations to prevent fraud entering the system. It has been trialled in Northern Ireland in relation to housing benefit and housing tenancy applications. The NIAO will continue to promote the use of AppCheck.

### **The NIAO will continue to develop the NFI in conjunction with public audit partners**

13. The NIAO will work with participating organisations and Cabinet Office NFI colleagues to continue to develop the scope of data matching, with an increasing focus on fraud prevention. The Cabinet Office will shortly publish an NFI Strategy 2018-22, the key objectives of which will include better targeting of existing and new fraud risks and improved communication and engagement with users to better understand their needs. The NIAO will work with the Cabinet Office to implement the Strategy.
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# Part One: NFI Outcomes

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## Part One: NFI Outcomes

### Reducing fraud and error helps improve service delivery

1.1 Finding fraud is crucial to improving the efficiency and effectiveness of public services. A recent government report<sup>3</sup> highlighted that:

- fraud wastes taxpayers' money, which means that more money is spent than needs to be;
- fraud results in public money not going to the places it is most needed; and
- fraud is a crime and should be treated as such.

Preventing and detecting fraud therefore makes good business sense and is an essential part of maximizing front line resources.

1.2 It is essential that public funds are protected from fraud and therefore vital that public sector organisations are serious about preventing, detecting and punishing fraud through having a strong anti-fraud culture and applying effective sanctions where fraud is proven. A strong, well publicised anti-fraud culture will have a deterrent effect.

### Data matching helps to detect potential fraud

1.3 Data matching compares sets of data and highlights inconsistencies which could indicate fraud or error. The National Fraud Initiative (NFI) is a major data matching exercise undertaken every two years (see Appendix 2 for more detail) and organisations from England, Scotland, Wales and Northern Ireland participate. Cross-jurisdictional data matching makes the NFI a powerful counter fraud tool and gives local organisations access to data that they would not otherwise have.

### The datasets selected for matching focus on key areas where fraud has been proven

1.4 Participating organisations submit a range of datasets where there has been proven fraud in the past. These include payroll, pensions, trade creditors, housing benefit, blue badges, concessionary travel passes, taxi driver licenses, private supported care home residents and domestic rates.

1.5 Figure 2 gives examples of the types of matches undertaken and the potential fraud or error revealed.

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3 Cross-Government Fraud Landscape Annual Report, HM Government, September 2017.

**Figure 2: Examples of data matches**

Data match	Potential fraud or error
Payroll to payroll	Employee working elsewhere while on sick leave
Housing benefit to payroll	Claimant not declaring income which may remove or reduce entitlement to benefit
Pensions to death records	Pension fraudulently or erroneously paid where the pensioner has died and pension administrator has not been notified
Blue badges to death records	Fraudulent use of badge where badge holder is deceased
Private supported care home residents to death records	Care home continuing to receive payments after the resident's death

## NFI 2016-17 is the fifth NFI exercise in Northern Ireland

- 1.6 Eighty-six Northern Ireland public sector organisations participated in NFI 2016-17 (see Appendix 3). This is a smaller number than in previous exercises because of restructuring of central government departments and local councils, but all the same functional areas are included. Northern Ireland data was matched with data from around 1,200 organisations in England, Scotland and Wales.
- 1.7 Most data matches were made available to participating organisations via the secure NFI website in January 2017. Organisations had 12 months to complete the majority of planned investigative work. Any outcomes from incomplete investigations will be captured and reported as part of the next NFI exercise.

## Organisations are not required to investigate all the data matches they receive

- 1.8 A data match does not necessarily indicate fraud. However, it highlights an inconsistency which may require further investigation to confirm that no fraud is present. **Organisations are not expected to investigate all matches. They should base their response on a fraud risk assessment and knowledge of key local fraud risks.**

## Part One: NFI Outcomes

### While the focus should be on recommended matches, other matches can result in meaningful outcomes

- 1.9 To help with prioritising matches for investigation, the matching process applies parameters which result in certain matches being flagged as “recommended matches”. Ideally, recommended matches should be reviewed and investigated as a minimum. In addition, it may be worth reviewing a further small sample of non-recommended matches, as these can produce useful outcomes (see Figure 3 at paragraph 1.43).

### The current NFI exercise has resulted in significant outcomes, mostly in relation to rates and pensions

- 1.10 Between 1 April 2016 and 31 March 2018, Northern Ireland participants identified outcomes<sup>4</sup> of almost £1.9 million, comprising late outcomes from the previous exercise of over £154,000 and outcomes to date from the current exercise of over £1.7 million.<sup>5</sup> The majority of outcomes relate to rates and pensions but there have also been some significant outcomes in relation to trade creditors and private supported care home residents (see paragraphs 1.41 to 1.45 below).

### Housing benefit outcomes in this NFI exercise have been affected by a change in investigative approach

- 1.11 In April 2017, responsibility for investigating housing benefit fraud and error passed to the Single Investigation Service (now known as Benefit Security Fraud and Compliance Operations (F&C Ops)) within the Department for Communities (DfC). As a result, the Northern Ireland Housing Executive (NIHE), which administers housing benefit for those who rent their homes, no longer receives funding for its housing benefit investigation teams which had been established to deal with NFI data matches.
- 1.12 F&C Ops now receives Real Time Information<sup>6</sup> (RTI) via a collaboration between the Department for Work and Pensions (DWP) and Her Majesty’s Revenue and Customs (HMRC) aimed at tackling fraud and error. It has therefore decided to concentrate on the RTI data as its main focus for investigation work in relation to housing benefit, in order to detect fraud on a timelier basis and to maximise outcomes from available investigative resources. The move to Wider

4 The outcomes include both actual fraud and error detected plus estimated forward savings where appropriate. Estimates are included where it is reasonable to assume that fraud and overpayments would have continued undetected without NFI data matching. The basis of calculation of these estimated figures is set out at Appendix 4.

5 The Cabinet Office reports every two years on outcomes at the relevant 31 March. This report uses the same basis for Northern Ireland.

6 RTI enables HMRC to pass earnings data to the DWP regularly so that benefit claims can be assessed on accurate employee income figures. Pension providers must also provide pensions information.

Use of RTI (WURTI) in September 2017 means that changes of circumstances are also notified to F&C Ops. Consequently, while NFI housing benefit outcomes are reduced, the DfC is securing improved outcomes via RTI.

- 1.13 The NIHE looked at a small sample of matches between housing benefit and student loans data (student loans data is not included in the RTI) which were passed to F&C Ops and investigations are ongoing.
- 1.14 Housing benefit investigations are still undertaken by the Department of Finance which administers housing benefit for those who own and occupy their own homes.

### **Organisations should take positive assurance from having few matches or no monetary outcomes**

- 1.15 Organisations which secure no monetary outcomes from their NFI investigations may feel that the exercise has been of little value to them. However, monetary outcomes indicate that something has gone wrong therefore organisations which have few matches, or find no fraud or error in the matches they investigate, should see this as positive assurance that their internal control environment is operating as it should. Such an outcome should be disclosed within the organisation's Annual Governance Statement.<sup>7</sup>

### **The NFI can highlight necessary data quality improvements**

- 1.16 Organisations should hold accurate and up-to-date data. The NFI helps to identify potential errors or inaccuracies in organisations' data which could increase the risk of fraud, for example incorrect national insurance numbers or duplicate creditor references. In the current exercise, 110 national insurance numbers have been corrected.

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<sup>7</sup> The Annual Governance Statement replaced the Statement of Internal Control in 2010-11. All departments, agencies and arm's length bodies must prepare them. They bring together all disclosures relating to governance, risk and control.

## Part One: NFI Outcomes

### Successful prosecutions from NFI 2014-15 matches have been secured since March 2016

- 1.17 Once again, successful and significant prosecutions have been secured as a result of NFI data matching, as outlined in the following case examples:

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#### Successful Prosecutions

##### Case Example 1

An NFI data match indicated an undeclared partner or other non-dependent person living at the same address as a benefit claimant. Following investigation, it was determined that overpayment of benefits, including housing benefit, amounted to £102,000 over a period of 11 years. In August 2017, the person was sentenced to two years' imprisonment, suspended for two years. A recovery plan is in place.

##### Case Example 2

An NFI data match identified that a benefit claimant had failed to declare they were living with a partner. Overpayment of benefits, including housing benefit, over a nine year period amounted to over £71,000. The claimant was sentenced to 1,200 hours community service in November 2016. A recovery plan is in place.

##### Case Example 3

A data match revealed that a person was on the payroll of a public sector organisation while claiming benefits, including housing benefit. Overpayment of benefits amounted to £23,000 over a two year period. The person was sentenced to four months' imprisonment, suspended for 18 months. A recovery plan is in place.

*Source: Department for Communities*

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## Information on successful prosecutions has not been routinely shared with fraudsters' employers

- 1.18 If a public servant is convicted of fraud, the onus is on them to notify their employer of this. If the fraud is committed against a public authority, that authority has no obligation to notify the fraudster's employer. So if a public servant was convicted of housing benefit fraud as the result of an NFI data match, the benefit paying authority (the Department for Communities) was not required to notify the fraudster's employer. The fraudster's employer was therefore unaware that it had an increased fraud risk.
- 1.19 We have highlighted this issue in previous NFI reports but no solution has been reached in discussions with key partners. The Information Commissioner's advice has been that organisations considering making such disclosures should consider each case on its merits to avoid any unlawful disclosure of information. While the changes in the investigation of housing benefit fraud (see paragraphs 1.11 and 1.12) make this issue no longer relevant to the NFI process itself, it remains an issue for the public sector.

## Significant outcomes have been secured in key areas

- 1.20 The following paragraphs summarise key findings in more detail. Outcomes figures quoted include late outcomes from the 2014-15 exercise, outcomes to 31 March 2018 from the current exercise and estimated forward savings (see footnote 4 and Appendix 4).

### Occupational Pensions – Deceased Pensioners

- 1.21 The NFI matches pension information to deceased records; this is known as mortality screening. Fraud and error in relation to deceased pensioners can occur where the pension paying authority is not notified of the death of a pensioner and so a pension continues to be paid. Six public sector pension paying bodies<sup>8</sup> submitted pensions data for mortality screening. Data matching has revealed 24 cases of fraud or error resulting in outcomes of just over £644,000 (including estimated forward savings).

<sup>8</sup> Northern Ireland Civil Service (NICS) Pensions; Northern Ireland Local Government Officers' Superannuation Committee (NILGOSC); Teachers' Pensions; Health Pensions; Northern Ireland Fire and Rescue Service Pensions; and Assembly Pensions.

## Part One: NFI Outcomes

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### Deceased Pensioners

#### Case Example 4

A pensioner died in July 2015. The pension administrator only became aware of the death through an NFI data match in 2017. Overpayment of pension amounted to £7,935. A weekly repayment plan has been agreed with next of kin and is in operation. Estimated forward savings in this case, based on the formula at Appendix 4, are just over £26,000.

*Source: NICS Pensions*

#### Case Example 5

An NFI data match released in January 2017 showed the date of death of a pensioner as February 2015. Overpayment of pension amounted to £8,506. Recovery is in progress. Estimated forward savings in this case, based on the formula at Appendix 4, are almost £18,000.

*Source: Business Services Organisation*

#### Case Example 6

A pensioner died in August 2014. The pension administrator became aware of the death in January 2017 through an NFI data match. Overpayment of pension amounted to £3,100. The overpayment has been repaid in full by the next of kin. Estimated forward savings in this case, based on the formula at Appendix 4, are £1,240.

*Source: NILGOSC*

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### Occupational pensions - Pensioners returning to work

- 1.22 Pension records are matched to payroll records to identify cases of pensioners returning to work without notifying the pension paying body, thereby avoiding a reduction (abatement) in pension. In the current exercise, one such case was identified, with outcomes of just over £3,000, including estimated forward savings.
-

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## Pension Abatements

### Case Example 7

A data match showed that a pension fund member who began to receive a small pension on turning 60 was still in full time employment in England. Overpayment of pension amounted to around £2,000. Further pension payments have been stopped and recovery of the overpayment is being pursued.

*Source: Department of Education*

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- 1.23 Inclusion of pension data in the NFI has contributed to housing benefit outcomes. Of the 91 housing benefit cases with outcomes (see paragraph 1.29), 21 were as a result of pension income not being declared on the benefit application.

### Domestic Rates

- 1.24 Rates are administered by Land and Property Services (LPS) within the Department of Finance and are a property tax based on the valuation of a residential property. They are payable by the occupier (or landlord in certain circumstances).
- 1.25 Rates records are matched to the electoral register to identify cases where a property may not have been registered for rates, and cases where the property is marked as vacant on the rating system yet someone is registered to vote at the address.
- 1.26 In the current exercise, 157 cases of rates avoidance were detected, totalling almost £806,000.
-



## Part One: NFI Outcomes

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### Domestic Rates

#### Case Example 8

NFI data matching identified a property which was not on Land and Property Services' (LPS) rating system. A bill has been issued to recover outstanding rates dating back to 2012, amounting to more than £16,400.

#### Case Example 9

The NFI identified a property of which LPS was unaware. A bill was issued to recover outstanding rates dating back to 2012, amounting to almost £15,800.

#### Case Example 10

NFI data matching identified a property which was marked as vacant on LPS's rating system but at which someone was registered to vote. Outstanding rates dated back to 2011 and amounted to almost £16,200. Recovery of the outstanding amount is in progress.

*Source: Land and Property Services*

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### Domestic Rates Relief – Lone Pensioner Allowance

- 1.27 Lone Pensioner Allowance (LPA) gives a 20 per cent rate rebate to people aged 70 or over who live alone. LPA records were matched to death records, electoral records and state pension records to determine whether the award of LPA was still valid. Fifteen cases produced outcomes of just over £8,000.

### Housing Benefit

- 1.28 People on low incomes may receive housing benefit.<sup>9</sup> Fraud and error can occur when calculations are based on inaccurate information, for example where:
- the claimant does not declare a source of income; or
  - the claimant does not declare a change of circumstances, e.g. additional residents at the address.

Under the NFI, housing benefit records are matched to a range of datasets, including public sector payroll and pensions, student loans and housing tenancies, in order to detect such inaccuracies.

---

<sup>9</sup> The Northern Ireland Housing Executive (NIHE) administers housing benefit for those who rent their homes. Land and Property Services (LPS) administers housing benefit for those who own and occupy their own homes.

- 1.29 Because of changes in the approach to housing benefit fraud investigation (see paragraphs 1.11 and 1.12), housing benefit outcomes in this NFI exercise are significantly reduced. The current exercise has identified 91 cases of housing benefit fraud, error and overpayment totalling just over £137,000.

### Social Housing

- 1.30 NFI data matching can help to detect tenancy fraud by identifying where a person appears to be resident at two properties and therefore may be subletting one property unlawfully. It can also detect cases where a tenant has no entitlement to a property because they are unlawfully resident in Northern Ireland.
- 1.31 In Northern Ireland, the majority of social housing (around 88,000 properties) is owned and managed by the NIHE.<sup>10</sup> In addition, 20 registered housing associations own and manage around 50,000 properties.<sup>11</sup> The NIHE and three of the biggest housing associations submitted their tenancy data to the NFI in 2016-17, which means that the vast majority of social housing tenancy data was included in this NFI exercise.
- 1.32 One of the participating housing associations identified a fraud and was able to recover a property. The estimated outcomes figure for this recovered property is £53,000 (see Appendix 4).

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### Social Housing

#### Case Example 11

A data match highlighted that a housing association tenant also had a tenancy in a London Borough. Investigations confirmed that the tenant had moved permanently to London and that the tenant's sister was living in the Belfast property without entitlement. The housing association recovered the property in September 2017.

*Source: A housing association*

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#### Social Housing Waiting List

- 1.33 A new area of matching for 2016-17 (previously piloted in England) relates to the social housing waiting list, which is maintained by the NIHE. The waiting list was matched to a number of datasets<sup>12</sup> to detect undisclosed tenancies, undisclosed changes of circumstances and lack of entitlement due to immigration status. As a result of investigations, the NIHE has removed 17 individuals from the waiting list.

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<sup>10</sup> Northern Ireland Housing Market Review and Perspectives 2015-18, NI Housing Executive.

<sup>11</sup> Figures provided by the NI Federation of Housing Associations, September 2017.

<sup>12</sup> Housing tenants, housing benefit, immigration and deceased records.

## Part One: NFI Outcomes

- 1.34 The new match has also highlighted that the NIHE needs to strengthen verification processes before someone is added to the waiting list. The NIHE housing tenancy fraud team is working with the policy team in this area to identify process improvements.

### Payroll

- 1.35 The NFI matches payroll data across all participating organisations, and with Home Office information, to identify cases of employment fraud, in particular:

- employees working for one body while on long-term sick leave from another;
- employees with two jobs where shift patterns overlap, so that it would not be possible to cover both jobs; and
- employees with no entitlement to live or work in the United Kingdom (UK).

- 1.36 No cases of payroll fraud or error have been identified in this NFI exercise.

- 1.37 Inclusion of public sector payroll data in the NFI also contributes to housing benefit outcomes. Of the 91 housing benefit cases with outcomes (see paragraph 1.29), 59 were as a result of income being undeclared by a public sector employee or their co-habiting partner.

### Procurement

- 1.38 NFI data matching between payroll and trade creditor records can identify undeclared interests, where an employee is also in a business relationship with the organisation.

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### Procurement

#### Case Example 12

A data match suggesting an undeclared interest was investigated by an organisation's Internal Audit. The undeclared interest was confirmed, disciplinary action was initiated against the employee and the supplier contract, valued at £5,250, was terminated.

*Source: A local council*

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- 1.39 An additional procurement data match, re-introduced for this NFI exercise, matches payroll data to Companies House information and then to trade creditors data. This will detect links between staff on an organisation's payroll and companies with which the organisation trades. The purpose of the match is to detect undeclared conflicts of interest which may result in a financial advantage to the staff member or someone with whom they are closely connected.
- 1.40 In total, five cases of undeclared interests were identified from these data matches by participating organisations in Northern Ireland. The organisations updated their register of interests accordingly and confirmed that the person had not acquired any financial advantage from the undeclared interest.

### Trade Creditors

- 1.41 Trade creditors' data matching within the NFI can help organisations to identify duplicate payments and incorrect VAT calculations. It can also highlight cases where system improvements or "housekeeping" are required, for example the removal of duplicate creditor reference numbers.
- 1.42 In the current exercise, organisations have identified 18 cases involving monetary error totalling almost £63,000. In a further 47 cases, action has been taken to correct non-monetary errors, such as a duplicate creditor reference number. Such corrections reduce the chance of fraud and error occurring in future.
- 1.43 Figure 3 sets out examples of creditor outcomes:

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#### Figure 3: Trade Creditor Outcomes

- One health sector organisation detected four duplicate payments totalling £20,302. Of this total, just over £7,000 was identified from non-recommended matches (see paragraph 1.9). All the money has been recovered.
- One education sector organisation detected two duplicate payments and an overpayment of VAT, totalling £15,676. All the money has been recovered.
- One regional college detected a duplicate payment of £14,122. The money has been recovered.
- One local council detected three duplicate payments and one overpayment, totalling £9,034. All four cases were non-recommended matches (see paragraph 1.9). All the money has been recovered.

*Source: NFI web application*

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## Part One: NFI Outcomes

### Private Supported Care Home Residents

- 1.44 Health trusts may pay all or part of private care home fees for older people. If care homes fail to notify trusts, either fraudulently or erroneously, that a resident has died, payments may continue after the date of death. The NFI matches trusts' private care home payments records to death records, in order to identify such cases.
- 1.45 Three significant cases have been detected in the current exercise, as outlined in the following case examples.

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### Private Supported Care Home Residents

#### Case Example 13

A data match showed that a client of a health and social care trust had died in December 2014. The match appeared in the previous NFI exercise but because of the methodology used by the Trust to select matches for investigation, the error was not picked up at that stage. In the intervening period the care home did not notify the change of circumstances and payments continued until early 2017. The care home was overpaid by £11,229. The Trust has recovered the full amount. As a result of this match, the Trust is reviewing contract management arrangements and will also review its methodology for sampling NFI matches.

#### Case Example 14

A second health and social care trust detected two cases relating to the same care home. In one case, the client had died in May 2014 and in the other, the client had died in June 2015. The care home did not sign and return remittances to indicate the change of circumstances, yet the Trust continued to pay nursing care fees of £100 per week in each case, until it became aware of the deaths in early 2017 through NFI data matches. The resulting overpayments totalled £24,000. All the money has been recovered. As a result of this data match, the Trust has tightened its procedures in relation to non-returned remittances.

*Source: Health and Social Care Trusts*

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### Concessionary Travel Passes

- 1.46 Concessionary travel passes are issued and administered by Translink.<sup>13</sup> Concessionary travel is available to people aged 60 and over, registered blind persons and those in receipt of a war disablement pension, for travel in Northern Ireland; aged 65 and over for All Ireland Free Travel; and to others with certain mobility or medical issues (half fare).

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<sup>13</sup> Translink is the name under which the bus and rail companies operate. Its parent company is the Northern Ireland Transport Holding Company, which is an Arm's Length Body of the Department for Infrastructure.

- 1.47 Matching details of travel pass holders to death records reveals cases where a pass is still in circulation, and could therefore potentially be used, after the death of the pass holder. In the current exercise, 2,951 such cases were identified. Translink was already aware of 1,243 of these cases through the receipt of monthly information from the General Register Office (GRO) and had cancelled the passes. Translink cancelled the remaining 1,708 passes by the end of January 2017.

### **Blue Badges**

- 1.48 People with severe mobility problems can apply for a blue badge, entitling them to concessions such as use of parking spaces designated for blue badge holders and free on-street parking in "pay and display" areas. The Department for Infrastructure (DfI) administers blue badges in Northern Ireland.
- 1.49 The NFI exercise matches blue badge holder records to death records, to identify badges which may still be in use after the death of the registered owner. This generated 5,857 matches, a 36 per cent increase on the previous exercise. The 5,857 badges have been flagged on the DfI's database as "not for automatic renewal", meaning the badge is effectively cancelled. The DfI examined a 10 per cent sample of the matches and no issues of fraud were found.
- 1.50 The DfI explained that the lack of an interface between systems delayed the planned use of GRO data to allow cancellation of badges at the earliest opportunity. This has now been remedied (see paragraph 1.52) and in future the DfI will be able to download monthly deaths data from the GRO. It is also currently downloading historic deaths data in order to cleanse its blue badges records. The DfI believes that this will lead to a significant reduction in the number of blue badge to deceased matches in the next NFI exercise.
- 1.51 The NFI also matches Northern Ireland blue badge data with blue badge records from England, Wales and Scotland, to identify cases where a person may be holding more than one badge. This generated 33 matches, compared with 53 in the previous exercise. No issues were found. In the majority of cases, one of the badges had either expired (and therefore been cancelled on the system) or been returned to the issuing authority for cancellation after the date of data capture for the NFI exercise (October 2016).
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## Part One: NFI Outcomes

- 1.52 In April 2017, the DfI established a formal link with the Department for Transport's Blue Badge Improvement Service, as a means of improving the administration of blue badges and helping to minimise fraud. This has facilitated full online blue badge application processing and payment, and the interface with the GRO (see paragraph 1.50). The DfI meets quarterly with counterparts from England, Wales and Scotland to discuss issues such as countering blue badge fraud and reciprocity of badges.
- 1.53 The DfI has been keen to secure prosecutions for blue badge fraud in order to provide a deterrent effect. It has recently secured two prosecutions resulting in adult cautions. An adult caution gives the person a criminal record (effective for five years) but it cannot be reported in the press. The DfI is considering adding wording to the blue badge application form, highlighting that blue badge fraud can lead to a criminal record, as an upfront deterrent.

### Four new pilot exercises were undertaken as part of NFI 2016-17

- 1.54 In order to strengthen and expand the fight against fraud, new matches are piloted which, if they prove fruitful, may become part of the main NFI exercise. Four new areas of pilot work were undertaken as part of NFI 2016-17.

#### **Housing tenants to deceased records**

- 1.55 A pilot match of housing tenants to deceased records identified cases where it appeared that a tenant had died. Review of the matches allowed the relevant housing authority to ensure that there had been proper succession to the tenancy or, where this was not the case, to seek recovery of the property.
- 1.56 There were no monetary outcomes in this pilot but it did raise a number of data quality issues, including the need for corrections to national insurance numbers and updates to housing tenancy records to remove deceased tenants' details from joint tenancies. This match will be included in future NFI exercises.

#### **GP registration data to benefits**

- 1.57 The Business Services Organisation (BSO), which administers GP patient registration data, identified a group of "high risk" registrations where efforts to confirm residency in Northern Ireland (and thereby entitlement to free health and social care services) had been unsuccessful. These registrations were matched with a range of social security benefits, with receipt of a benefit being taken as evidence of residency. The BSO was then provided with a listing of high risk registrations not on a benefit.
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- 1.58 Initial outcomes suggest that a number of these high risk registrations are not entitled to free health and social care services and a process is underway to consider removing them from the register. The BSO applies a "cost avoidance" figure to each person removed from the register, based on the annual average cost per head of health services in Northern Ireland. Applying this estimate could give potential outcomes from the pilot of around £2 million. Final outcomes from this pilot will be included in the next NFI report in 2020.

### **Housing tenants and private supported care home residents**

- 1.59 A pilot match of the NIHE's housing tenants' data to private supported care home residents' data was used to identify cases where a sole tenant had gone into full-time residential care, thereby allowing the NIHE to ensure proper assignment of their property. This pilot produced a small number of matches, all of which were investigated, but no fraud or error was detected. It is unlikely that this data match will be repeated.

### **CIFAS National Fraud Database**

- 1.60 As part of a wider pilot exercise, the NIHE's housing tenancy records were matched to the National Fraud Database held by CIFAS, a leading UK fraud prevention service. A sample of cases, where tenant details matched with a different address on the CIFAS database, was reviewed. No issues of fraud were identified. The tenancy had either already ended or the CIFAS address was a former address already known to the NIHE and which had no bearing on the NIHE tenancy.
- 1.61 In future, the CIFAS National Fraud Database is likely to be used for risk-scoring matches, rather than as a match in its own right.
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## Part Two: Maximising the value of the NFI

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## Part Two: Maximising the value of the NFI

### The NFI can only succeed with the co-operation of participating organisations

- 2.1 The majority of participating organisations recognise that effective data matching can be an important element of their counter fraud strategy. The NIAO appreciates their continued commitment and co-operation, without which no outcomes would be identified.

### Participating organisations must adopt a risk-based approach in order to maximise outcomes and utilise their valuable resources as efficiently as possible

- 2.2 NFI 2016-17 is the fifth exercise in Northern Ireland and most participants have evolved a sensible and measured approach to reviewing and investigating their matches (see paragraph 2.6). The NFI web application identifies key reports and recommended matches to help organisations identify where limited investigation resources should initially be focused. However organisations can sort, filter and reprioritise matches in line with local fraud risk assessments.
- 2.3 Some organisations are still continuing to investigate matches when no fraud or error is being found, which is not an effective use of resources. **It is important that participating organisations understand that there is no audit requirement to investigate all matches.**
- 2.4 Some organisations leave it very late to begin reviewing and investigating their data matches. Given that the matches highlight inconsistencies which could indicate fraud and error, these organisations are missing the opportunity to put a stop to any fraud and error at the earliest opportunity.

### There is still scope for some organisations to further refine their approach to the NFI

- 2.5 Previous NFI reports have highlighted ways for participating organisations to improve their approach to the NFI exercise, with the aim of maximising outcomes while at the same time reducing the administrative burden of reviewing and investigating matches. It is worth reiterating these key points as organisational change and staff turnover mean that each NFI exercise sees new Senior Responsible Officers<sup>14</sup> (SROs), Key Contacts<sup>15</sup> and users becoming responsible for NFI work. Figure 4 provides a summary of key tips.

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14 The SRO, usually the Director of Finance or equivalent, has strategic oversight of the NFI within the organisation.

15 The Key Contact is the person with primary day-to-day responsibility for the NFI within participating organisations.

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#### Figure 4: Tips for Maximising the Effectiveness of your NFI work

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##### Roles and responsibilities

- Senior responsible officer (SRO) should nominate an appropriate Key Contact.
- Key Contact should have the necessary time and commitment to ensure positive outcomes.
- SRO and Key Contact should agree the approach – what reports and matches to focus on, how to sample matches for review. This may be agreed with the Audit Committee.
- SRO and Key Contact should agree a timetable for completing the work.
- Users must be familiar with the business area they are investigating (payroll, creditors etc.).
- Users should be familiar with the latest guidance and on-line training videos, to ensure effective working.

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##### Investigating matches

- Follow up matches promptly so that fraud and error can be stopped at the earliest opportunity.
- Prioritise key reports and recommended matches.
- Use the sort and filter options within the web application to re-prioritise matches in line with local fraud risks, if desired.
- Work within the secure web application – this streamlines the process, allows information to be shared easily and ensures data security.
- Use the report comment facility to save time and effort in processing matches.
- **DO NOT investigate every match.** Use a risk based approach.
- Periodically review shared comments from other organisations and respond appropriately.

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##### Recording and reporting

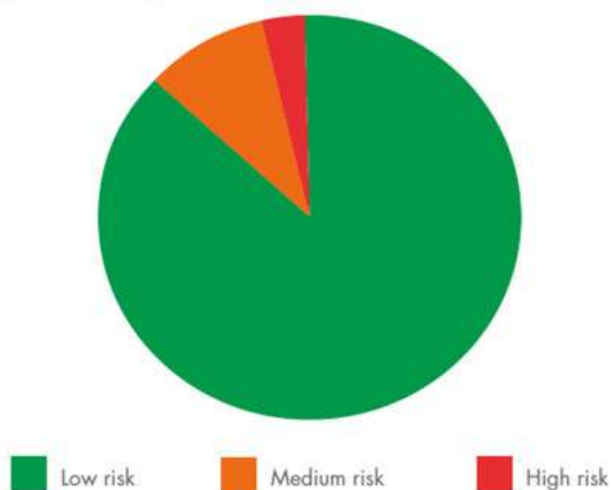
- Users should record short but informative comments on matches within the NFI web application; this allows the SRO, Key Contact and auditors to determine progress easily.
  - All outcomes, both quantitative and qualitative (e.g. national insurance number corrections), should be recorded in the comments and outcomes boxes.
  - Use outcomes to make informed system improvements e.g. strengthening controls.
  - SRO should report progress and outcomes to senior management, the Board and the Audit Committee.
  - Remember, positive assurance can be taken from having few matches and no monetary outcomes.
  - Use the outcome of your NFI work to inform your Annual Governance Statement.
-

## Part Two: Maximising the value of the NFI

### Quality assurance of participating organisations' NFI arrangements shows largely positive results

- 2.6 NIAO staff and local government auditors access the NFI web application to monitor progress by their audited bodies on reviewing and investigating matches and recording outcomes. Auditors reported back on progress as at November 2017, 10 months after matches were released, and applied a **Red / Amber / Green** rating.<sup>16</sup> A further review of amber and red cases was undertaken in March 2018 and the status amended if appropriate. The final analysis showed that the approach adopted by 71 of the 82 participants (87 per cent) was considered low risk (see Appendix 5 for details).

Figure 5: Rating of Participants' Approach to the NFI



<sup>16</sup> Red equates to high risk, amber to medium risk and green to low risk in terms of the organisation's approach to its NFI work.

- 2.7 Three organisations were classified as **red**, or high risk, in terms of their response to the NFI exercise:
- One of the three organisations had also been classified as red in the previous NFI exercise. Despite reminders, it was very late in commencing any review of its NFI matches and did not prioritise key reports and recommended matches. The auditors have raised these issues with the SRO and Key Contact.
  - A second organisation was very late in commencing any NFI work, its Key Contact for the NFI was not an appropriate person for the role and comments on matches appeared inappropriate or unclear. The auditors have raised these issues with the organisation.
  - One voluntary participant, which actively chose to submit its data and incurred a fee for doing so, did not review any of its NFI matches, despite repeated contact and reminders.

### There are examples of good practice by some participating organisations and, for others, areas where practice could be improved

- 2.8 Figure 6 sets out examples both of good practice by participating organisations and areas for improvement, as highlighted by audit staff in their review of participants' NFI activity:

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#### Figure 6:

##### Examples of Good Practice

- Most organisations commence work on their data matches promptly and adopt a measured approach based on resources available.
  - One organisation has established an NFI steering group which meets about three times during the NFI process, with progress reports and a final outcomes summary reported to the Audit Committee.
  - In another organisation, progress on NFI activity is monitored by way of a time target, and is reported quarterly to the Audit Committee.
  - The Key Contact reports directly to a Fraud Working Group within one organisation.
  - In another organisation, Internal Audit carry out a review of the NFI exercise as part of a wider review of counter fraud arrangements.
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## Part Two: Maximising the value of the NFI

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### Areas for Improvement

- Some organisations continue to over-investigate. Reviewing recommended matches plus a small sample of non-recommended matches should be sufficient.
  - Organisations could make more use of the report comment facility within the NFI web application, to save time where the same comment applies to multiple matches.
  - Working offline is an inefficient way of working and should be kept to a minimum. Working within the secure web environment allows comments and outcomes to be entered directly, rather than uploaded at a later date, and, more importantly, does not compromise the security of personal data.
  - Reviewing and responding to queries from other organisations is an essential element of the NFI process. It allows investigations to be completed and fraud or error either confirmed or not. Organisations need to be better at monitoring and responding to such queries, as appropriate.
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# Part Three: NFI Developments

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## Part Three: NFI Developments

### **New products, available as part of the NFI, aim to prevent fraud happening in the first place**

- 3.1 The main two-yearly NFI exercise, which detects fraud and error after it has occurred, still produces useful outcomes. However, preventing fraud and error should be a key objective for organisations.
- 3.2 Processes which are application-based lend themselves to real time data matching at the point of application. For example, information provided on applications for housing benefit, housing tenancies or rates relief can be matched with other relevant datasets, and any inconsistencies investigated and resolved before the benefit, tenancy or relief is awarded.
- 3.3 AppCheck is an NFI product that can be used in this way by organisations to prevent fraud entering the system. It has already been trialled in Northern Ireland in relation to housing benefit and housing tenancy applications. The NIHE is considering trialling AppCheck in relation to the social housing waiting list and there have been expressions of interest from SIS (within the DfC), and from the Legal Services Agency NI in relation to applications for civil legal aid. The NIAO will continue to work with relevant organisations to help ensure that AppCheck is adopted as a counter fraud measure where appropriate.

### **A new NFI Strategy will set clear objectives for further developing the data matching process**

- 3.4 The Cabinet Office will shortly publish an NFI Strategy 2018-22 which will aim to build on the strengths of the NFI process and respond to identified challenges. Key objectives will include better targeting of existing and new fraud risks and improved communication and engagement with users to better understand their needs. The NIAO will work with the Cabinet Office to implement the Strategy.

### **The NIAO will work with participating organisations to identify suitable pilot exercises**

- 3.5 It is important that new opportunities are sought to expand and develop the NFI, by securing participation by new organisations and by including new datasets. The NIAO will meet with relevant organisations to discuss options for new pilot exercises, in order to extend the scope of the NFI.

### **The NIAO acknowledges the key role of Cabinet Office NFI colleagues in supporting the NFI process in Northern Ireland**

- 3.6 Once again we thank the Cabinet Office NFI team and their data processors for the invaluable help and support they provide to make the NFI a success in Northern Ireland.
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# Appendices:

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## Appendix 1

## (paragraph 4)

**Total NFI outcomes in Northern Ireland to date**

This is the fifth NFI report for Northern Ireland. Total outcomes to date are set out in the table below.

Dataset	Reporting period 1 April 2008 to 31 March 2010 £	Reporting period 1 April 2010 to 31 March 2012 £	Reporting period 1 April 2012 to 31 March 2014 £	Reporting period 1 April 2014 to 31 March 2016 £	Reporting period 1 April 2016 to 31 March 2018 £	Total to date £
Housing benefit	1,322,864	5,026,800	1,651,977	1,249,692	137,201	<b>9,388,534</b>
Pensions	729,160	2,128,393	3,372,325	1,466,748	647,658	<b>8,344,284</b>
Rates	979,596	13,219,605	372,835	333,360	813,849	<b>15,719,245</b>
Creditors	208,536	386,635	102,868	31,725	62,826	<b>792,590</b>
Payroll and other	15,019	5,774	35,250	11,053	10,143	<b>77,239</b>
Private supported care home residents	0	14,820	0	19,943	57,386	<b>92,149</b>
Social housing	0	0	0	0	130,480	<b>130,480</b>
<b>Total</b>	<b>3,255,175</b>	<b>20,782,027</b>	<b>5,535,255</b>	<b>3,112,521</b>	<b>1,859,543</b>	<b>34,544,521</b>

Outcomes are made up of actual fraud, error and overpayments identified by participating bodies and recorded on their web application plus, where appropriate, an estimated amount using the calculations set out in Appendix 4.

**Note:** The trend in rates outcomes, with a significant reduction after 2010-12, is due to a legislative change in October 2011, whereby all vacant properties became subject to rates, negating one of the rates matches previously undertaken as part of the NFI.

## Appendix 2

## (paragraph 1.3)

### Overview of the National Fraud Initiative

#### What is data matching?

1. Data matching uses a web-based application to compare sets of data – such as payroll, pensions, benefits and trade creditors - held by public bodies on different financial systems, to uncover possible cases of fraud or error. A match indicates an inconsistency that may require further investigation; it does not mean there is definitely fraud or error.

#### The National Fraud Initiative (NFI)

2. The NFI is a data matching exercise run every two years to detect frauds and incorrect payments. To date, it has identified over £1 billion of outcomes nationally. Under the NFI, there is cross-jurisdictional data matching, so Northern Ireland data are matched with data from England, Scotland and Wales.

#### Code of Data Matching Practice

3. The NFI is governed by a Code of Data Matching Practice<sup>17</sup> which ensures that data matching exercises comply with the law, in particular data protection legislation. The Code lets individuals know why their data is being matched, the standards that apply and where they can find further information. The Comptroller and Auditor General (C&AG) has statutory authority to data match and does not require the consent of the individuals concerned.

#### Who participates in data matching?

4. Bodies whose accounts are audited by the C&AG or a local government auditor<sup>18</sup> may be required to participate in the NFI, where there is reasonable evidence that fraud is likely to be found. Other bodies may participate on a voluntary basis where the C&AG considers it appropriate. See Appendix 3 for a full list of participants.

#### How is data secured?

5. The NFI uses a secure web-based application for the transmission of data and for the accessing of matches by the participating bodies. The NFI's systems are accredited to handle, store and process information up to the restricted classification level.

<sup>17</sup> Prepared by the C&AG under Article 4G of the Audit and Accountability (Northern Ireland) Order 2003 and available at [www.niauditoffice.gov.uk/national-fraud-initiative](http://www.niauditoffice.gov.uk/national-fraud-initiative)

<sup>18</sup> Local government auditors are designated under the Local Government (Northern Ireland) Order 2005.

## Appendix 3

(paragraph 1.6)

### Participating Bodies – NFI 2016-17

#### Mandatory Participants

##### **Northern Ireland Departments:**

Department of Agriculture, Environment and Rural Affairs  
 Department for Communities  
 Department for the Economy  
 Department of Education  
 Department of Finance  
 Department of Health  
 Department for Infrastructure  
 Department of Justice  
 The Executive Office  
 Public Prosecution Service (non-ministerial)

##### **Executive Agencies:**

Rivers Agency  
 Forest Service  
 Driver and Vehicle Agency  
 Northern Ireland Environment Agency  
 Northern Ireland Statistics and Research Agency  
 Northern Ireland Guardian ad Litem Agency  
 Northern Ireland Medical and Dental Training Agency  
 Labour Relations Agency  
 Youth Justice Agency of Northern Ireland  
 Forensic Science Northern Ireland  
 Northern Ireland Courts and Tribunals Service  
 Public Health Agency  
 Legal Services Agency Northern Ireland

##### **Other central government bodies:**

Education Authority  
 Invest Northern Ireland  
 Northern Ireland Assembly  
 National Museums Northern Ireland  
 Northern Ireland Council for the Curriculum, Examinations and Assessment  
 Northern Ireland Fire and Rescue Service  
 Northern Ireland Housing Executive  
 Tourism Northern Ireland  
 Arts Council of Northern Ireland  
 Sport Northern Ireland  
 Livestock and Meat Commission  
 Agri-Food and Biosciences Institute  
 Libraries NI  
 Council for Catholic Maintained Schools  
 Construction Industry Training Board  
 Ulster Supported Employment Ltd  
 Belfast Metropolitan College  
 South West College  
 South Eastern Regional College  
 Southern Regional College  
 Northern Regional College  
 North West Regional College  
 General Consumer Council  
 Health and Safety Executive  
 Commissioner for Children and Young People Northern Ireland  
 Equality Commission Northern Ireland  
 Strategic Investment Board  
 Probation Board for Northern Ireland  
 Northern Ireland Authority for Utility Regulation  
 Community Relations Council  
 Stranmillis University College

**Health Services Bodies:**

Business Services Organisation  
Health and Social Care Board  
Belfast Health and Social Care Trust  
Northern Health and Social Care Trust  
South Eastern Health and Social Care Trust  
Southern Health and Social Care Trust  
Western Health and Social Care Trust  
Northern Ireland Social Care Council  
Regulation and Quality Improvement Authority  
Northern Ireland Blood Transfusion Service  
NI Ambulance Service HSS Trust

**Local Government Bodies:**

Antrim and Newtownabbey Borough Council  
Ards and North Down Borough Council  
Armagh City, Banbridge and Craigavon Borough Council  
Belfast City Council  
Causeway Coast and Glens Borough Council  
Derry City and Strabane District Council  
Fermanagh and Omagh District Council  
Lisburn and Castlereagh City Council  
Mid and East Antrim Borough Council  
Mid Ulster District Council  
Newry, Mourne and Down District Council

Northern Ireland Local Government Officers'  
Superannuation Committee  
Arc21

**Voluntary participants**

Northern Ireland Audit Office  
Translink  
Northern Ireland Water  
St Mary's University College  
Helm Housing Association  
Apex Housing Association  
Choice Housing  
Victims and Survivors Service

## Appendix 4 (footnote 4 at paragraph 1.10)

### Formulae for calculating outcomes, including forward savings

Dataset	Basis of calculation
Housing benefit	Value of fraud or error detected plus forward savings calculated as the weekly benefit reduction multiplied by 21 weeks.
Housing tenants	The estimated figure for a recovered property is based on the annual cost of providing temporary accommodation for the displaced tenant plus an estimate of other costs such as legal costs and the cost of restoring the property. The total estimated figure for a recovered property in NI is £53,000.
Social housing waiting list	The estimated figure for removal of a person from the waiting list is based on the annual cost of temporary accommodation, the likelihood of future losses due to fraud and the period of time the fraud may have continued without NFI intervention. The figure is £1,440 per person removed from the list.
Pensions	Cabinet Office formula: annual pension multiplied by the number of years until the pensioner would have reached the age of 85, or one year's annual pension if the pensioner has already reached the age of 85.
Creditors	Value of overpayments.
Rates	Value of fraud or error detected plus forward savings calculated as the average annual rates bill (£1,000) multiplied by 2. For Lone Pensioner Allowance, the forward savings are (£1,000 x 2 x 20%) for each case, as LPA gives 20% relief.
Payroll	Value of overpayments, plus £5,000 per case where an employee is dismissed or resigns, or £10,000 per immigration case (estimated amounts based on future losses prevented where a fraudulent employee resigns or is removed from post).
Procurement	Value of contract cancelled and invalid payments prevented.
Private supported care home residents	Value of fraud or error detected plus forward savings calculated as 13 weeks x average weekly cost (£544), rounded down to £7,000.

## Appendix 5

## (paragraph 2.6)

### Audit assessment of organisations' NFI arrangements

#### RED (High Risk)

- There has been little or no activity and progress on matches.
- There is a significant risk that all planned review and investigation work will not be carried out on time.
- The Key Contact for the NFI is an inappropriate person for that role or has inadequate influence within the organisation.

#### AMBER (Medium Risk)

- Work on NFI data matches was slow to begin.
- There has been some progress on matches in key reports but not all key reports have been opened and not all recommended matches reviewed.
- There is a risk that all planned review and investigation work will not be carried out on time.
- The Key Contact for the NFI is an appropriate person but improvements to NFI arrangements could be made.

#### GREEN (Low Risk)

- Good and timely progress has been made on all key reports and recommended matches.
  - The organisation is on track to complete all review and investigation work on time.
  - The Key Contact for the NFI is effective and experienced in the NFI process.
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## NIAO Reports 2017 and 2018

Title	Date Published
<b>2017</b>	
Continuous improvement arrangements in policing	04 April 2017
Management of the Transforming Your Care Reform Programme	11 April 2017
Special Educational Needs	27 June 2017
Local Government Auditor's Report	05 July 2017
Managing Children who Offend	06 July 2017
Access to Finance for Small and Medium-sized Enterprises (SME's) in Northern Ireland	26 September 2017
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